

CONTINENTAL SELLING PRICES: AUSTRIA Sch 15; BELGIUM Fr 25; DENMARK Kr 4.25; FRANCE Fr 4; GERMANY DM 2.0; ITALY L 700; NETHERLANDS Fl 2.0; NORWAY Kr 4.25; PORTUGAL Esc 35; SPAIN Ptas 60; SWEDEN Kr 3.75; SWITZERLAND Fr 2.0; EIRE 20p

NEWS SUMMARY

GENERAL BUSINESS

'Full-scale Sterling war' says Zambia

Zambian president Kenneth Kaunda yesterday declared a "full alert" in response to intensified Rhodesian attacks on Zambian roads and rail bridges. Dr. Kaunda said in Lusaka his country was "now in a full-scale war situation."

The announcement, provoked by three days of Rhodesian cross-border raids which have deepened the country's economic and political crisis, came as the Lancaster House conference moved into crucial discussions of the ceasefire in the seven-year guerrilla war. **Back and Page 4**

Tarling sentenced

British businessman and former Slater Walker director Richard Tarling, sentenced to six months imprisonment by Singapore's High Court but freed on bail pending appeal, has decided to serve the sentence. **Back Page**

Gromyko in Bonn

Soviet Foreign Minister Andrei Gromyko arrives in Bonn this morning for talks with Chancellor Schmidt and Foreign Minister Hans-Dietrich Genscher, expected to centre on nuclear disarmament and troop reductions in Europe.

EEC deadlock

The EEC and the Association of Broadcasting Staff were in deadlock over the regrading dispute after talks with the Advisory, Conciliation and Arbitration Service broke up with no sign of agreement. **News analysis, Page 10**

Yard called in

Scotland Yard senior detective Commander Jim Neville was called in to help West Yorkshire police in their four-year hunt for the Yorkshire Ripper. He will arrive in Wakefield this morning.

U.S. visas change

The U.S. Government is considering a change in the law to abolish the need for visas for tourists from Britain. The U.S. Assistant Secretary for Tourist and Consular Affairs said legislation could be introduced early next year. **Page 10**

Benefits plan

DHSS is examining plans to reduce the frequency of its range of social security payments now paid over Post Office counters, to achieve a saving of about £20m. **Back Page**

Inquiry refused

Sir Harold Wilson's call for a public inquiry into the death of labourer James Kelly while in police custody in Huyton, Merseyside, was turned down by Home Secretary William Whitelaw.

Shroud evidence

Scientists who led the team that investigated the shroud of Turin last year, Thomas D'Muhala, president of Nuclear Technology in Connecticut, said evidence so far indicates the loen did wrap the crucified body of Jesus Christ.

Seychelles arrests

Seychelles Government said new arrests have been made in connection with a plot to overthrow President Albert Rene, bringing the total to 80 in the past week.

Briefly...

The British Red Cross appealed for 50 doctors and nurses to volunteer care for Cambodian refugees in Thailand.

Actor Philip Garston-Jones-Jack Woolley of The Archers, died in a Birmingham hospital, aged 67.

A 15-foot python crushed to death and partly swallowed a shepherd boy in South Africa's northern Transvaal region.

CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)

RISES		FALLS	
Treasury Variable 1983 £904 +	75	Excheq. 10% 1983 £85 -	1
Brooks 73 + 7	7	Trasas, 11% 2003-07 £85 -	10
Cableform 73 + 6	6	Alexanders Discount 233 -	10
Furness Withy 236 + 5	5	Avery's 392 -	10
Hambros 266 + 13	13	Belhaven Bank 34 -	4
Isobrook 145 + 5	5	Debenhams 59 -	3
Metal Box 246 + 45	45	Heath (C. E.) 170 -	5
Phoenix Timber 128 + 8	8	Lloyds Bank 272 -	10
Sirard 122 + 7	7	MK Electric 175 -	8
Century Oils 103 + 11	11	Milford Docks 163 -	12
Clyde Petroleum 270 + 33	33	Moran Tea 305 -	15
LASMO 352 + 10	10	Stocklake 99 -	10
Tricentrol 253 + 14	14	Thorn Elec 296 -	8
Viking 112 + 6	6	Cons. Gold Fields 280 -	20
Bougainville 156 + 8	8	of Australia 185 -	10
MILF Holdings 131 + 5	5	Coronation Syndic 400 -	15
North Broken Hill 700 + 63	63	Falcon Mines 400 -	15

BL refuses to reinstate steward as 25,000 strike

BY ALAN PIKE AND ARTHUR SMITH

BL management yesterday refused to reinstate Mr. Derek Robinson, the shop steward accused of trying to undermine the company's recovery plan, in spite of demands from his union and strikes at four plants.

Last night about 25,000 workers were on strike, with production of eight models halted. Shop stewards meeting in Coventry urged other plants to "give whatever support is possible."

Mr. Grenville Hawley, national automotive secretary of the Transport and General Workers Union, said a total stoppage could not be ruled out.

But the company clearly believes its toughness in dismissing Mr. Robinson will succeed an dthat the strikes in his support will quickly burn out.

The executive of Mr. Robinson's union, the Amalgamated Union of Engineering Workers, yesterday called for the withdrawal of his dismissal pending a national level conference on the problem.

Mr. Terry Duffy, AUEW president, left the executive meeting at the union's London headquarters and made the request in a telephone call to Mr. Pat Lowry, BL's director of industrial relations and personnel.

Mr. Lowry told him that while the company was willing to meet executive members it would not consider reinstating Mr. Robinson.

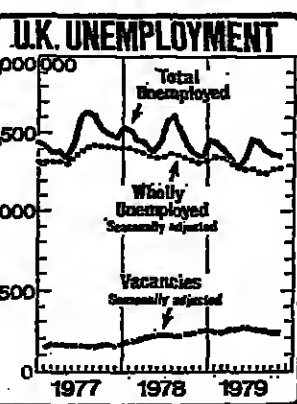
Mr. Duffy said last night that Mr. Lowry had told him BL considered its dismissal of Mr. Robinson was justified.

Strikes in support of Mr. Robinson—who is chairman of the unofficial BL shop stewards combine—took place at Triumph and Jaguar factories in Coventry and at Longbridge, Birmingham—his own plant.

Stewards arriving at the Jaguar engine plant for yesterday's meeting were met by workers striking in protest at the company's action. Both Jaguar factories at Coventry were shut, with about 6,000 workers on strike.

This stoppage was more a gesture of support. Production is expected to resume today.

The most dramatic backing for Mr. Robinson came from Triumph, Canley, where a meeting of 5,000 workers voted—with



Fall in jobless ending

By Peter Riddell, Economics Correspondent

THE LABOUR market appears to be at a turning point. Adult unemployment has stopped falling while notified vacancies have now fallen for five months running.

Department of Employment figures published yesterday show that the number of adults out of work in the UK did not change in the month to mid-November and remaining at 1.28m, on a seasonally adjusted basis equivalent to 5.3 per cent of the workforce.

This followed a rise of 18,100 in October and little change in the previous month.

The recent trend, however, has been distorted by the national engineering dispute which may have boosted the October total.

The Whitehall view is that the seasonally adjusted figure has probably flattened out. But officials will want to see an increase for at least two successive months before concluding that the expected rising trend of unemployment has definitely started.

The level of vacancies notified to employment offices is usually regarded as a good advance indicator of turning points in the labour market and the economy generally. This total has now fallen by a small amount each month since June. The seasonally adjusted figure dropped by 3,100 to 234,300 in the month to mid-November for a decline of 28,100 in the last five months.

A similar conclusion is also suggested by the figures measuring flows onto and off the unemployment and vacancies register.

The general expectation is that the number out of work will rise sharply next year in response to a drop in economic activity. The working assumption in the recent spending White Paper was that the adult total in Great Britain would rise by 300,000 to an average of 1.65m in 1980-81.

Continued on Back Page
Regional map, Page 11

Ulster move welcomed by Paisley

BY STEWART DALBY AND ELINOR GOODMAN

MR. IAN PAISLEY last night warmly welcomed the Government's new political initiative on Ulster.

After launching his blueprint for a constitutional conference on Ulster, Mr. Humphrey Atkins, secretary for Northern Ireland, said he felt there was little possibility for failure. There was room for agreement on some devolution but that this could be at a limited level and not at a level at which he would necessarily hope.

The Government proposals, especially their emphasis on protecting the minority, were also welcomed by Mr. Gerry Fitt, leader of the largely Roman Catholic Social Democratic and Labour Party.

Captain James Maloney, leader of the five official Ulster Unionist MPs at Westminster, and the man who was expected to be most hostile to the idea of a conference, left his options open yesterday, though his tone continued to be fairly negative.

The official Unionists have so far refused to attend the conference.

The Government is aware that terrorists may try to sabotage the talks by stepping up violence in the province and possibly on the mainland as well. Consideration is being given to increasing security.

The conference, scheduled to begin in the first week of December, is intended to deal



Mr. Paisley: a welcome

with 12 key questions drawn up by the Government and outlined in the White Paper presented to Parliament yesterday.

These cover the kind of institutional framework needed, the power it should have and the role of the 500,000 Roman Catholic minority.

It also propounds six working models of the kind of political transfer of powers possible. These range from a bicameral legislature along the lines of Westminster and similar to the dissolved Protestant-dominated Stormont to a system of councils which would have

Continued on Back Page
Details Page 18
Editorial comment, Page 22

France and UK still wide apart on lamb and budget

BY REGINALD DALE, EUROPEAN EDITOR

THE TWO-DAY Anglo-French summit ended in London yesterday with both sides seemingly still wide apart on the most pressing EEC issues dividing them—Britain's contribution to the Community Budget and the "lamb war" between the two countries.

President Valery Giscard d'Estaing of France told a joint press conference he could not accept the concept of "broad balance" in the UK's budgetary payments that Mrs. Margaret Thatcher has demanded.

Nor would France comply with a European Court order to open up its market to British lamb until a common lamb and mutton régime had been agreed in Brussels, he said.

Mrs. Thatcher said she had put her view on the budget "very forcefully" to the President. Equally, if France continued to flout "the rule of law" on lamb it could be very serious for the Community as a whole.

The Prime Minister stressed determination to secure a substantial cut in the UK's budgetary contribution at next week's Dublin summit. The UK could not go on paying at the current rate—more than £1bn next year—"or anything like it," she said. She would not settle for "half a loaf."

But there were signs Mrs. Thatcher might be preparing a fall-back position on the budget. The UK was looking for a solution, or "a way to a solution," in Dublin, she said.

Nevertheless, Mrs. Thatcher is not abandoning insistence that the present budgetary system is inequitable and that the UK will go on pressing until a fair solution is found.

If a compromise offered in Dublin were inadequate she would not reject it but simply "ask for more," according to a well-known "tradition of English literature," she said.

Rejecting Britain's demand for "broad balance," President Giscard said that everyone has no Community if they would take back from the Budget exactly what they put in.

He said that this year and next France would also be in slight deficit in its payments with Brussels. The UK should settle its problems with those countries in surplus, he suggested.

Elinor Goodman writes: In the Commons yesterday the Prime Minister continued to adopt a belligerent attitude on renegotiation of Britain's budget contribution. But outside the chamber there was increased recognition that her insistence on "broad balance" represented a negotiating position.

Mrs. Thatcher regards the proposals which emerged from West Germany at the weekend, under which Britain's net contribution to the EEC budget next year would be cut by 40 per cent, as inadequate in their present form. But some of her ministerial colleagues believe she would be prepared to accept a two-stage deal—possibly made up of an immediate cash reduction plus a commitment to a fundamental reform of agricultural policy.

The idea that Mrs. Thatcher might be able to improve her reception in Dublin by making some concession on North Sea oil, however, was being firmly rejected in Whitehall yesterday.

French defiance over lamb, Page 3
Editorial comment, Page 22

More 'had been suspected spies'

BY PHILIP RAWSTORNE

THE GOVERNMENT last night disclosed that a number of other people, apart from "fourth man" Mr. Anthony Blunt, had been suspected of involvement in the Burgess-Maclean spy ring.

At the same time, Mrs. Margaret Thatcher announced that the Government would withdraw its Protection of Information Bill, the reform of the Official Secrets Act now in the Lords.

Sir Michael Havers, Attorney-General, told the Commons that in a few cases inducements had been offered to obtain confessions from suspects. Any statements gained under offer of immunity will have been inadmissible in criminal proceedings.

Sir Michael added: "It would not be in the public interest to give further details."

Mr. Blunt had been the only person connected with the case to whom immunity had been granted on the Attorney-General's authority, he said.

Sir Michael's admission for the first time that other persons had been involved will reinforce Labour demands for a full public inquiry in the Commons debate on the affair.

Mrs. Thatcher confirmed yesterday that the Government had not yet decided about a further investigation. But she told MPs: "My concern and duty now is with the efficiency and morale of the security services, and I put that first."

Her announcement on the Protection of Information Bill was greeted by cheers from both Labour and Tory MPs. The measure had been widely criticised for provisions which could have prevented the publication of facts about the Blunt case.

Home Office officials will begin work on a drastically revised measure to be introduced next session.

Mr. Blunt's own account of his role in the Burgess-Maclean affair, given yesterday at a restricted press conference in London, was described by Mr. Ted Leadbitter, Labour MP, as "a cover-up of a cover-up."

Mr. Blunt, who emerged briefly from hiding to be interviewed, said he had been persuaded by Guy Burgess in 1955 or 1956 that he could best serve the cause of anti-fascism by joining him in his work for the Russians.

Blunt interview, Page 18

CONTENTS

United States: now needs its own 'miracle' to combat flagging productivity	22	Lombard: worker directors of the Post Office, by John Elliott	20
Shotton and Corby planned closures: the tales of two steel plants	23	Editorial comment: Anglo-French attitudes, Ulster	22
Management: an enterprising operator who sold one idea to finance another	19	Spring Grove: the new pastures	31
Gardens today: berries for an autumn show	20	Ceramics: why a strong £ is cracking exports	32
		Survey: Torfaen	35-37

American News	5	Gardening	20	Racing	20	Labour	22
Appointments	14	Int. Companies	20-30	Salesroom	20	Unit Trusts	21
Arts	21	Leader Page	22	Wall Street	20	Weather	44
Base Rates	28	Letters	23	Stock Markets:	38	World Trade News	5
Commodities	29	Law	24	London	43	INTERIM STATEMENTS	25
Companies - UK	25-29	Lombard	20	Paris	40	C. E. Heath	25
Crossword	20	Management	19	Sturges	38	Metal Box	24
Entertain. Guide	20	Man and Makers	22	Technical	34	Remorse	27
Europeans	29	Mining	23	TODAY'S EVENTS	20	ANNUAL STATEMENTS	26
European News	2-3	Money & Exchange	24	TV and Radio	20	Wm. Lowry	28
European Options	25	Overseas News	4	UK News:	4	Petera Storos	28
FT Activities	40	Parliament	18	General	9-11	Smith's Industries	24

For latest Share Index phone 01-246 8026

NEB members to resign

BY JOHN ELLIOTT, INDUSTRIAL EDITOR

ALL MEMBERS of the National Enterprise Board are expected to resign today following an expected Commons announcement that the Government is transferring ownership of Rolls-Royce from the board to the Department of Industry.

This will spark a major political and industrial row which could upset relationships between the TUC and the Government in various joint organisations such as the National Economic Development Council.

Sir Keith Joseph, Industry Secretary, told members of the NEB of the Government's decision on Rolls-Royce at a half-hour meeting last night. Board members then held a brief discussion among themselves during which their threat to resign if Rolls-Royce was transferred was discussed. No comment was made by either side after the meeting but it is understood that all members of the board will resign.

They include Sir Leslie Murphy, chairman, and senior industrialists such as Sir Jack Wellings of the BDO Group, Mr. Alastair Frame of RTZ, and Sir Leslie Smith of BOC International, in addition to trade union leaders.

The Government will have to find new members for the board and it may come under pressure from BL, which will demand similar freedom to that gained by Rolls-Royce.

Who else has...

...50 years' materials handling experience and over 70 lift truck models

Hyster's experience is unique. And it shows. In our wide range. In our appreciation of your requirements. And in our no-nonsense designs that save you time and money. So, if you're looking for a lift truck that offers higher productivity and lower materials handling costs—without sacrificing quality or safety—you're looking for Hyster.

and 17 Customer Service Centres in Britain?

Naturally, quality products deserve quality back-up. So Hyster takes great care to select dealers who have the capability to meet your requirements. Extensive knowledge of materials handling applications. And all the facilities you need. So that you obtain first-class after-sales service on your doorstep. Check for yourself. Today.

Manufactured in Britain by Hyster. Sold and serviced in Britain by:

BARLOW handling

Barlow Handling Limited
Head Office: Airfield Estate, Macclesfield, Tel: Littlewick Green 2151

In Ireland by:
A. H. Messer Ltd., Tel: Dublin 364511, Belfast 87128, Cork 508624.

Check for yourself

EUROPEAN NEWS

France defends lamb curbs in Brussels letter

BY MARGARET VAN HATTEM

THE FRENCH Government has taken its defiance of the European Court of Justice a step further in a letter to the EEC Commission...

to the sharp price falls that would result from immediate free trade. Moreover, they claim implicit support from the court for their de facto national price support system...

Explosives found at Alsthom plant

By David White in Paris

AN EIGHT-WEEK sit-in at a big engineering plant owned by Alsthom-Atlantique at Belfort in eastern France has taken on a new dimension...

The explosives were found during a weekend search by union members, in a section of the factory where parts for nuclear reactors are produced.

Scandal over Italian oil payments denied

BY RUPERT CORNWELL IN ROME

THE ITALIAN Government last night dismissed suggestions that part of the \$115m "commission" paid on extra oil from Saudi Arabia had found its way into the pockets of politicians here.

a devastating scandal, are allegations that some of the commission had ended up not with Saudi Arabian intermediaries but in foreign bank accounts held by unspecified Italian politicians.

Suggestions of improprieties began to emerge in a series of remarkably well-documented Press leaks this autumn giving details of the contract arrangements.

It is widely assumed here that these are part of a covert political attack on Sig. Giorgio Napolitano, the president of ENI, who is linked with the Socialist Party.

The Italian bank employees union has called its members out on strike for a total of 15 hours between November 26 and December 7.

in support of demands for government action on tax, pensions, prices, public services and housing.

adequate oil supplies. According to Press reports, however, less than half the total commission was sent to Saudi intermediaries.

per barrel, to go to the supplier Petromin, the state-owned Saudi concern. A further \$1.26 per barrel (equivalent to 7 per cent, or a total of \$15m over the contract's life) would go as commission.

for the foreign exchange transfer was given by the Foreign Trade Ministry here.

This is perhaps the most worrying immediate aspect of the affair. The discrediting of ENI and its president could have serious repercussions on Italy's efforts to secure additional oil supplies through bilateral deals with producer nations.

Sweden's nuclear risk

BY JOHN WALKER IN STOCKHOLM

SWEDEN'S NUCLEAR power industry must operate to "considerably higher" safety standards in future, according to a government report on the risk of accidents with the country's nuclear reactors.

risks associated with nuclear power which have been described in earlier studies. The report by the Swedish Committee on Nuclear Reactor Safety, was commissioned pending the referendum scheduled for next March on the future of nuclear power in Sweden.

And it warns that an accident like that at America's Three Mile Island near Harrisburg, Pennsylvania, could have happened at the Ringhals 2 plant, Sweden's only pressurised water reactor.

The report points out that the need for higher safety standards applies to all phases, including the design of reactors and their safety systems, regulatory agencies and the day-to-day safety work in the operation and maintenance of nuclear power plants.

ANNUAL CONFERENCE? VENUE? Phone MEETING POINT LONDON: 01-567 3444 MANCHESTER: 061-969 5151

Euratom loans for new atomic power stations

BRUSSELS — Italy and Belgium are to receive multi-million dollar loans from the EEC to help them build nuclear power stations, the European Commission said here yesterday.

Norway faces dispute over allocations of oil

BY FAY GJETER IN OSLO

A DISPUTE is brewing over the allocation of "Royalty oil" in the 1980s, between Norway's minority Labour Government and the non-Socialist Opposition.

the Committee for Industrial Affairs of the Storting (Parliament). It points out that its present source of supply, the Ekofisk Field, will begin producing less from 1981.

port Hydro's request. They point out that it is unreasonable to make Hydro depend on a competitor for its oil. There is, moreover, a precedent. Royalty gas from Ekofisk is now sold directly to two Norwegian companies—Dyna and Svalvanger—operating plants on the Continent.

Norway had enough gas reserves to justify laying a gas-gathering pipeline. Mobil, the operator of the Anglo-Norwegian Statfjord Field, would have postponed the field's first production platform for a year to allow more time for design work, if they had realised what it would cost, according to Mr. E. J. Medley, managing director of Mobil Exploration Norway for the past six years.

Mr. Gromyko's comments will also not help to create cordial relations with Spain, which is host to the third stage of the European security conference next year. Spain has said it regards human rights as a fundamental element in international relations and will stress their importance during the conference.

Sabena's proposal An unhurried airport at the centre of a busy international network. A privileged location. Sprawling, overcrowded airports are all too common in Europe. Brussels Airport is a welcome exception. ... Sabena and your travel agent are partners and would be happy to provide any additional information you may require.

Employers Tomorrow, you could be asked about the Job Release Scheme. The Job Release Scheme is being widely publicised—so more employees may be asking your permission to take part. ... Job Release Scheme Department of Employment DE

Why Spain's army haunts the minds of its masters

BY ROBERT GRAHAM IN MADRID

THE POWER and influence of the military remains one of the great taboo subjects in Spain. Even though democracy has been restored. Nothing highlights this more than the curious case of the so-called "Galaxy Plot," which Spaniards first learned about a year ago this week.

Galaxy was a conspiracy by disaffected senior officers to seize the Cabinet. The plotters' aim was to take Cabinet members hostage at the Prime Minister's office during its weekly Friday meeting and then use the King's temporary absence on a visit to Latin America to call for a government of national reconciliation. The plot was code-named Galaxy after the Madrid cafe where the conspirators met.

In spite of assurances from the then Defence Minister, General Gutierrez Mellado, that there would be a quick and thorough investigation, nothing has been said officially about the case since November last year. According to officials, "investigations are still continuing." The matter is subject to military jurisdiction.

The nature of the charges and the sentences against two army officers arrested in connection with the plot meanwhile remain secret. The Prime Minister's office, which acts as the official spokesman in such cases, claims to be unable to provide any detailed information.

One person familiar with the events commented this week: "The Government is spinning out the whole process in the hope that it will be quietly forgotten, believing rightly or wrongly that the country is not mature enough to know about Galaxy."

But is there really anything to hide? The official account spoke of five officers acting as conspirators, but their scheme smacked of the boy-scout plans of a few disgruntled Fascists. The Government appears to have been alarmed more by the implications of the plot than by the scheme itself, taking the plot seriously because senior officers knew about the conspiracy and did nothing to stop it.

This conspiracy of silence among some of the officer corps was undoubtedly the most disturbing aspect of this still-born coup because it gave the impression that military adventurism was condoned at the highest levels of the forces. The politicians want to believe that the armed forces have accepted the idea of democracy, yet a small margin of doubt remains which incidents like this can easily widen. The spectre of the military as the ultimate arbiters of Spain's destiny therefore continues to haunt the minds of Spanish politicians, and the military are treated with kid gloves, whether by the Government, the opposition or the Press.

The Spanish constitution itself, approved last December, singles out the military for special treatment, defining the armed forces as guarantors of Spain's integrity and sovereignty. Some argue that this gives a legal justification for intervention in extreme cases. Others see it as a sweetener for a real loss of authority and therefore without substance.

What kid-glove treatment there is understandable. The armed forces were a central pillar of the old Franco regime and, of all the dictatorship's institutions, remain the least



Three who command the allegiance of Spain's armed forces (from left): King Juan Carlos, Commander-in-Chief; Gen. Gutierrez Mellado, Defence Minister; and Prime Minister Adolfo Suarez.

touching by the democratic reforms of the past three years. Weaned on the propaganda of the sacred unity of Spain, the virtues of the Catholic family and firm centralised authority, the armed forces possess a political ideology that cannot be changed overnight.

Emotional identification with the former regime, therefore, persists in the armed forces. But while the Defence Ministry has run into opposition in some regiments over the removal of portraits of Franco, in practical terms the bulk have accepted democracy, more or less willingly. They look loyally to the King as Commander-in-Chief and guarantor of a certain continuity. Even the furor created by the legalisation of the Communist Party in April, 1977, has been forgotten.

The armed forces are not a uniform political colour. A look at the voting patterns of a garrison town like the North African enclave of Ceuta shows that in the March general elections the extreme Right fared abysmally. Over 50 per cent of the vote went to the ruling Union de Centro Democratico (UCD) of Sr. Adolfo Suarez, and 35 per cent to the Socialists. The Fascist Union Nacional of Sr. Blas Pinar, which likes to think it speaks for the armed forces, gained less than four per cent.

The officer corps is considered profoundly middle class. There is a sprinkling of traditional landed aristocracy and a moute number who have risen through the ranks. Though encouraged through a multiplicity of privileges under Franco to

form a distinct caste, the separation from civilian life is not as great as might be expected. Over the years a practice has grown up of officers donning suits in the afternoon to work in second jobs in civilian life.

Conscription also ensures that the grass roots of the armed forces remains closely linked to civilian life. Conscripts clear little more than £2 a month in pay and must rely on their families to survive.

Spain's Socialists and Communists support the idea of a conscript army, which is written into the constitution as a national obligation. They believe that this essentially working-class component is the best insurance against military adventures in politics, and regard the uncertain allegiance of

the conscripts in the 260,000-strong army as an important check on the military.

The most highly prepared intervention force, the all-volunteer Foreign Legion, is based in the Canary Islands and is normally not permitted on to the mainland, where there are two army divisions geared for quick intervention. The most disciplined forces are said to be the two large paramilitary units—the 63,000-strong Guardia Civil and the 41,000-strong Policia Armada, just rechristened Policia Nacional. Both are volunteer and staffed by regular army officers on secondment.

In the Basque country the Government employs these two units for security. More generally they perform an important intelligence function. Golpista (plotter) could move without their support, and the two persons arrested in connection with Galaxy were from these two units.

The Government's circumspect treatment of the military is revealed by the issue of the two para-military units' future. The parliamentary parties realise that it makes no sense in a democracy to have two para-military police forces, staffed by army personnel. But the military establishment has strongly resisted the idea of any change of status. The issue is deadlocked as a result.

Another issue over which military pressure—perceived and real—has exercised an important influence has been the crucial one of Basque separatism. Military opposition to a substantial devolution of power to the Basques has helped define the terms of Basque autonomy, and without the military in the background, the

Government might have been persuaded to adopt a more federalist approach.

In the four years since Franco's death the military have generally acted as a sort of blocking mechanism, in some cases slowing the pace of change but in no instance fundamentally altering the basic path towards the establishment of democracy. The military's power is now only what the politicians and public opinion allow it to be, and on the occasions where the military have been challenged they have stepped down.

More cautious Spaniards underline that the military is the object of provocative terrorist attacks. Twelve officers have been killed this year alone, including three generals.

When the military Governor of Madrid was assassinated in January there were ugly scenes of indignation at his funeral. Similarly, when senior officers and members of the Franco family happened to be in an hotel at Saragossa which caught fire this summer. The incident touched a raw nerve.

Potentially the most serious incident occurred last month. Just before the Basque and Catalan autonomy referendums a carefully-dug tunnel was discovered in Barcelona. It led under a military housing complex which had some 250 army personnel and their families.

The object is assumed to have been to place explosives in the tunnel. If this had happened the reaction of the military would have been unpredictable. Any such provocative action, whether instigated by the extreme Left or extreme Right, would severely strain the fabric of democratic Spain.

Shipyards to shed workers

By Our Madrid Staff

THE SPANISH Government has reached agreement with the main trade unions on long-term measures to restructure the ailing state-owned shipyards.

In return for streamlining the operations of these yards, the unions have accepted the necessity of reducing the workforce.

This agreement is a follow-up to a pact with the trade unions in July last year concerned with immediate measures to ease the crisis in the shipbuilding sector.

Three main shipyards are concerned—Astilleros Espanoles, Astano and Bazan, which deals exclusively with naval construction.

Although the agreement has taken time to negotiate, the unions have accepted the serious plight of an industry which has 40 per cent over capacity. As a result it has been achieved with little acrimony, and welcomed as a model of industrial relations for a troubled industry.

The accord affects some 45,000 workers, of which 6,000 are considered surplus.

The Government has undertaken to find alternative employment for them. The state holding company INI, for instance, will find jobs for 1,500 over the next three years.

The way is now open for the release of fresh funds for the shipyards. Approximately \$300m is being sought in soft loans from the official credit institute.

Bid to improve ships' safety in Bosphorus

BY METIN MUNIR IN ANKARA

THE TURKISH Foreign Ministry is looking urgently at ways to improve navigational safety in the Bosphorus, the only link between the Black Sea and the Mediterranean which is of vital strategic importance both to the Soviet Union and to the West.

The review was instituted following the collision of a Romanian tanker and a Greek cargo vessel in the Bosphorus, less than a mile off-shore from Istanbul's main Asian railway

terminus, last Thursday.

More than 40 Romanian seamen died on the Independenta which was carrying almost 90,000 tonnes of Libyan crude oil. The ship is still ablaze. The captain and second in command of the Greek ship Eryllia have been arrested on charges of negligence.

Navigation through the Bosphorus, the Sea of Marmara and the Dardanelles are regulated by the 1936 Montreux Convention. Under this, mer-

chant ships enjoy "complete freedom of transit and navigation by day and by night, under any flag, with any kind of cargo, without any formalities." Pilotage and towage are optional. Different, more complicated rules, apply to the passage of warships.

While the Foreign Ministry is only just starting its review, officials say that safer rules of navigation, such as enforced transit lanes, may eventually emerge.

Turkey is unlikely to call an international conference to amend the Montreux Convention to make pilotage or towing mandatory. It apparently fears that both the Soviet Union and West might use the occasion to propose other amendments to the pact which has been overtaken by developments in shipbuilding.

More than 18,000 vessels passed through the Bosphorus last year, the majority of them Soviet ships.

Law professor shot dead in Istanbul

By Our Ankara Correspondent

AN ISTANBUL University law professor, Mr. Umit Yasar Doganay, was murdered by terrorists yesterday. Four men opened fire on him as he entered his car to go to the university.

His death came less than 24 hours after that of Mr. Ihan Darendelioğlu, a newspaper publisher and former right-wing MP who was also shot dead in Istanbul.

Big tax rises in Malta's budget

BY GODFREY GRIMA IN VALETTA

MALTA FACES a difficult year, warned Dr. Joseph Cassar, the Finance Minister, in Parliament yesterday as he presented a £220m budget that included big tax increases.

The budget, one of the most austere in the eight years that Mr. Dom Mintoff's Labour Government has been in power, reflects the difficulties the island faces, following this year's closure of British military bases. It was bitterly criticised by the opposition Nationalist Party

of Dr. Eddie Fenech Adami and by unions not committed to supporting the Government. Nor has there been much popular support for the way tax and social benefit increases have fallen.

Petrol at £1.30 a gallon, is among the more costly in Europe. Industry has been hit by increases in the price of diesel and fuel oil, and rises in commercial electricity rates and telephone and telex charges.

The biggest burden for industry, however, is a nationwide £5 weekly wage increase and sharp increases in national insurance contributions.

Although in 1980, Mr. Mintoff's Government will raise, with the help of added taxation, a record revenue of almost £185m, it will still end the year with a deficit of £30m, £7.5m less than the island was earning from renting its military facilities to Britain and NATO.

IT'S ABOUT TIME WE LEARNED HOW TO LISTEN.

There's a problem in this country that has cost British industry millions of pounds in losses.

As well as far greater human losses between man and woman. Parent and child. Country and country.

And that's the problem of people not knowing how to listen.

Most of us spend about half our waking hours listening. Yet research studies show that we retain only 25% of what we listen to.

Which isn't surprising. Because listening is the one communication skill we're never really taught.



The listening problem affects us all: Man and woman. Businessman and businesswoman. Even country and country.

We're taught how to read, to write, to speak—but not to listen. And listening can be taught.

In the few schools where listening programmes have been adopted, listening comprehension among students has as much as doubled in just a few months.

And listening can also be taught in business.

Listening has been part of many Sperry training and development programmes for years. And we've recently set up expanded listening programmes for Sperry employees worldwide. From sales representatives and computer engineers to even the Chairman of the Board.

These programmes are making us better at listening to each other. And when you do business with Sperry Univac or any of our other divisions, you'll discover that they're making us a lot better at listening to you.



We understand how important it is to listen.

Sperry is Sperry Univac computers, Sperry New Holland farm equipment, Sperry Vickers fluid power systems, and guidance and control equipment from Sperry division of Sperry Flight Systems.

How good a listener are you?

Write to Sperry, Dept. FT21111, 78 Portsmouth Road, Cobham, Surrey KT11 1JZ, for facts on listening and a quiz that's both fun and a little surprising.

OVERSEAS NEWS

Saddam Hussein bares the Arab League oil weapon

BY ROGER MATTHEWS IN TUNIS

THE QUESTION of using economic sanctions and the oil weapon against countries which support Israel and Egypt was raised immediately at the start of the 10th Arab summit meeting in Tunis yesterday.

In the opening speech to the conference, President Saddam Hussein of Iraq repeatedly referred to the tremendous economic and political weight enjoyed by the Arab nations, and promised that friends would enjoy their "just rewards" while those who supported "Zionist aggression" would have to suffer the consequences of Arab self-defence.

By picking up where the last Arab summit left off a year ago in Baghdad, Mr. Saddam Hussein was again challenging the more moderate oil producers, like Saudi Arabia, to use the weapons at their disposal.

He suggested that an Arab economic summit might be held to co-ordinate action, and praised the achievements of the Baghdad summit which, he claimed, had won worldwide respect.

Mr. Saddam Hussein said opinion in Europe had swung towards the Arab nation during the past year, and that this was due to the unity of the Arab

world in the face of Egyptian treachery and Zionist aggression.

There is no indication, however, that the other Gulf oil producers will respond to Iraq's demands. The likely compromise will therefore be a joint pledge to continue, and perhaps extend, the economic and political boycott of Egypt while maintaining financial support for Syria, Jordan and the Palestinians, the front-line Arab League members confronting Israel.

The U.S. is understood to have sent a special emissary last week to see Crown Prince Fahd, who heads the Saudi

delegation in Tunis. The envoy, Mr. Hermann Eilts, who retired as ambassador to Egypt earlier this year, is also believed to have held talks with President Anwar Sadat, perhaps in another effort to persuade him to halt his bitter attacks on the Saudi Arabian leadership.

The original purpose of calling the summit — to discuss demands from the Beirut Government for joint Arab action on Southern Lebanon — has already been relegated to the second item on the agenda.

At the preparatory Foreign Ministers' meeting last week, a compromise was hammered out. But it would fully satisfy

neither the Lebanese Government nor the Palestinians. President Elias Sarkis of Lebanon wants the Palestinians to withdraw from south of the Litani River, to allow the reconstituted Lebanese Army, with the United Nations force already in the region, to assume full control, and thus remove Israel's pretext for continued raids.

The summit will probably agree instead to a contradictory formula under which the Palestine Liberation Organisation will promise not to attack Israel from Lebanon, or to issue reports of raids from its Beirut headquarters, while the Arab

nation will collectively assert its right to assault Israel from any and all Arab fronts.

The radical states will also call this week for increased military spending and argue that until the Arab-Israeli struggle is resolved there is relatively little chance of solving Lebanon's problems.

But with the Arab world in greater disarray than 12 months ago, in large part because of the breakdown in the rapprochement between Iraq and Syria, the Arab League's more sanguine members feel the summit will succeed merely by avoiding any widening of divisions.



Mr. Yassir Arafat at the Arab League summit meeting in Tunis.

Record payments deficit in Japan

By Charles Smith, Far East Editor in Tokyo

JAPAN recorded its largest ever overall balance of payments deficit in October, according to preliminary figures released yesterday by the Finance Ministry. The deficit reflected an extremely heavy outflow on long-term capital account (\$2,450bn), coupled with a current account deficit of \$1,120bn—the third-largest this year.

Taken together, these figures produced a deficit of \$3,570bn on the basic balance and of \$3,470bn on the overall balance.

The long-term capital deficit, which is the striking feature of the month's figures, reflects the redemption of \$770m worth of "repurchase" bonds bought by Foreign Investors on the Tokyo capital market. Investments in bonds subject to repurchase agreements are normally re-cycled, but foreign investors have been collecting their money and allowing their investments to lapse because of concern about the weakness of the yen and Japan's general overseas payments position.

Another contributing factor to the long-term capital deficit was the repayment of the second \$500m tranche of a loan contracted five years ago from Saudi Arabia, when Japanese overseas payments position was under pressure as a result of the first oil crisis. The first tranche of the \$1bn loan was repaid in September.

The October deficit on current account reflects a small trade deficit of \$350m and a \$770m deficit on invisibles.

The trade deficit, the second in three months, was caused by fast rising imports (up 24 per cent over the level of October 1978 to \$9,070m) and relatively stagnant exports (up 5 per cent to \$8,720m). Seasonally adjusted figures for imports and exports indicate a still larger trade deficit, but also suggest that Japan's trading position may have recovered slightly from September.

China protest to Vietnam

By Tony Walker in Peking

CHINA HAS protested to Vietnam over what it describes as repeated violations of Chinese territory, armed provocation and causing bloodshed.

The protest Note was handed to the Vietnamese embassy in Peking yesterday, the New China News Agency reported. The Note said that early this month Vietnamese troops shelled a Chinese border settlement, killing several people.

It also claimed that 100 Vietnamese troops "penetrated deep into Chinese territory," attacking Chinese frontier outposts and seizing property. The protest Note, delivered by the Chinese Foreign Ministry, is believed to be the first such protest for some time. There is no explanation of why the Chinese waited for several weeks before lodging the protest.

'Surprise' reshuffle in Kampala

MEMBERS OF Uganda's interim Parliament said yesterday neither they nor Ministers had been consulted about President Godfrey Binaisa's surprise Cabinet reshuffle on Monday night.

President Binaisa is evidently making an attempt to establish more firmly his uncertain position in the country.

Members of the interim Parliament, the powerful National Consultative Council, said President Binaisa did not consult all the Council before making his new Ministerial appointments.

The biggest shock was the ousting of Mr. Yoweri Museveni, the powerful Defence Minister. President Binaisa has taken the defence portfolio for himself.

Mr. Museveni, a former guerrilla from Mozambique, recently earned popularity in Uganda by getting on top of the serious security problems in the country.

He commanded a unit of the Uganda National Liberation Force, which helped to overthrow President Idi Amin.

He has now been demoted to the Regional Co-operation Ministry.

Another attempt by President Binaisa to strengthen the Presidency, is the creation of a Ministry of Presidential Affairs. President Binaisa recently took the special branch from the police and attached it to the President's office.

The State Radio announced that Mr. Ateker Ejalu, the Regional Co-operation Minister, had been appointed Ambassador to Japan. Mr. Ejalu said soon after the radio announcement it was the first he had heard of the appointment.

Gloomy outlook for Indian economy

BY K. K. SHARMA IN BOMBAY

THE RESERVE Bank of India has confirmed fears that the Indian economy is sliding, and that prospects for arresting the trend are bleak. In its annual report on the economy released here yesterday, the Reserve Bank says: "For the immediate future, the chances of any improvement or even sustaining the moderate growth rate of the economy achieved in 1978-79 seem doubtful."

The Reserve Bank's pessimistic assessment takes into account the poor outlook for agriculture this year, after a severe drought. With foodgrain production dropping, the report says: "There can be no improvement in the overall rate of growth in 1979-80." This confirms fears that there will be a drop in Gross National Product this year.

The report adds that the "chances of sustaining the rate of increase in industrial output are also not bright." The real report says that trade prospects are not promising.

Although exports are expected to maintain the 1978-79 growth rate, particularly since there is an improvement in the export of some primary commodities, the Reserve Bank expects a "pronounced increase" in import payments, both because of rising crude oil prices and the need to increase imports of consumer goods to bridge domestic shortages.

On trade, the Bank's report concludes: "The trade deficit in 1978-79 will vary likely be significantly larger than the previous year. The probability of an improvement in net invisible receipts is small. The possibility of a drawdown of reserves, despite current aid availability, seems more than likely."

The report also underscores the concern over the growth of inflationary pressures, and suggests fiscal and monetary measures to curb price rises. Inflation touched 12.2 per cent in the year ended October 13. The other important immediate requirement for the economy is more investment, especially in infrastructure.

Zambia in 'full-scale war' as Rhodesians pound guerrilla invasion routes

BY MICHAEL HOLMAN

THE declaration by President Kenneth Kaunda that Zambia is now "in a full-scale war situation" brings to a head a crisis which has been gathering for over a year.

The Zambian leader is being forced to resolve an acute dilemma: whether his policy of support for the Zambia-based guerrillas of Mr. Joshua Nkomo, co-leader of the Patriotic Front re-orientation to the Lancaster House talks on Rhodesia, compatible with the economic needs of his country.

At the same time, Rhodesia's strategy places Mr. Nkomo him-

self under intense pressure during the negotiations for ceasefire terms in the seven-year war. The veteran nationalist must face the possibility that, unlike his co-leader, Mr. Robert Mugabe, who operates from Mozambique, he and his army could lose what they have called their "reliable rear base."

Rhodesia has launched more than 15 ground and air raids this year across the Zambezi River border alone, and now appears to be following a two-pronged strategy. The destruction on October 12

of a main bridge on the Tanzania-Zambia railway, the northern link to the Tanzanian port of Dar es Salaam, signalled the start of a campaign of economic sabotage. It left Zambia almost entirely dependent on the southern railway through Rhodesia itself, which gives Zambia access to South African ports.

Zambia's economic survival does not just depend on the smooth functioning of this route to carry copper exports, which account for over 90 per cent of foreign exchange earnings. Zambia also faces widespread

food shortages early next year, if some 200,000 tonnes of maize ordered from South Africa does not arrive in time to make up for a disastrous 1978-79 harvest.

Rhodesia tightened the screw even further earlier this month, when it announced that maize shipments along this line would cease until President Kaunda ended his support for Mr. Nkomo's guerrillas, who use Zambian bases for their incursions.

Rhodesian military strategy, however, has taken on a new dimension over the past month. Although raids on guerrilla

installations continue, Salisbury has a further objective: to prevent the movement of Mr. Nkomo's forces through south and east Zambia back into Rhodesia before the Lancaster House talks agree on a ceasefire.

Military sources in Salisbury estimate that there are already some 4,000 of Mr. Nkomo's guerrillas in Rhodesia, and report an increasing number of crossings in recent weeks. Thus the systematic destruction of bridges on roads leading to southern and eastern Zambia will severely impede—although not stop altogether—the massive

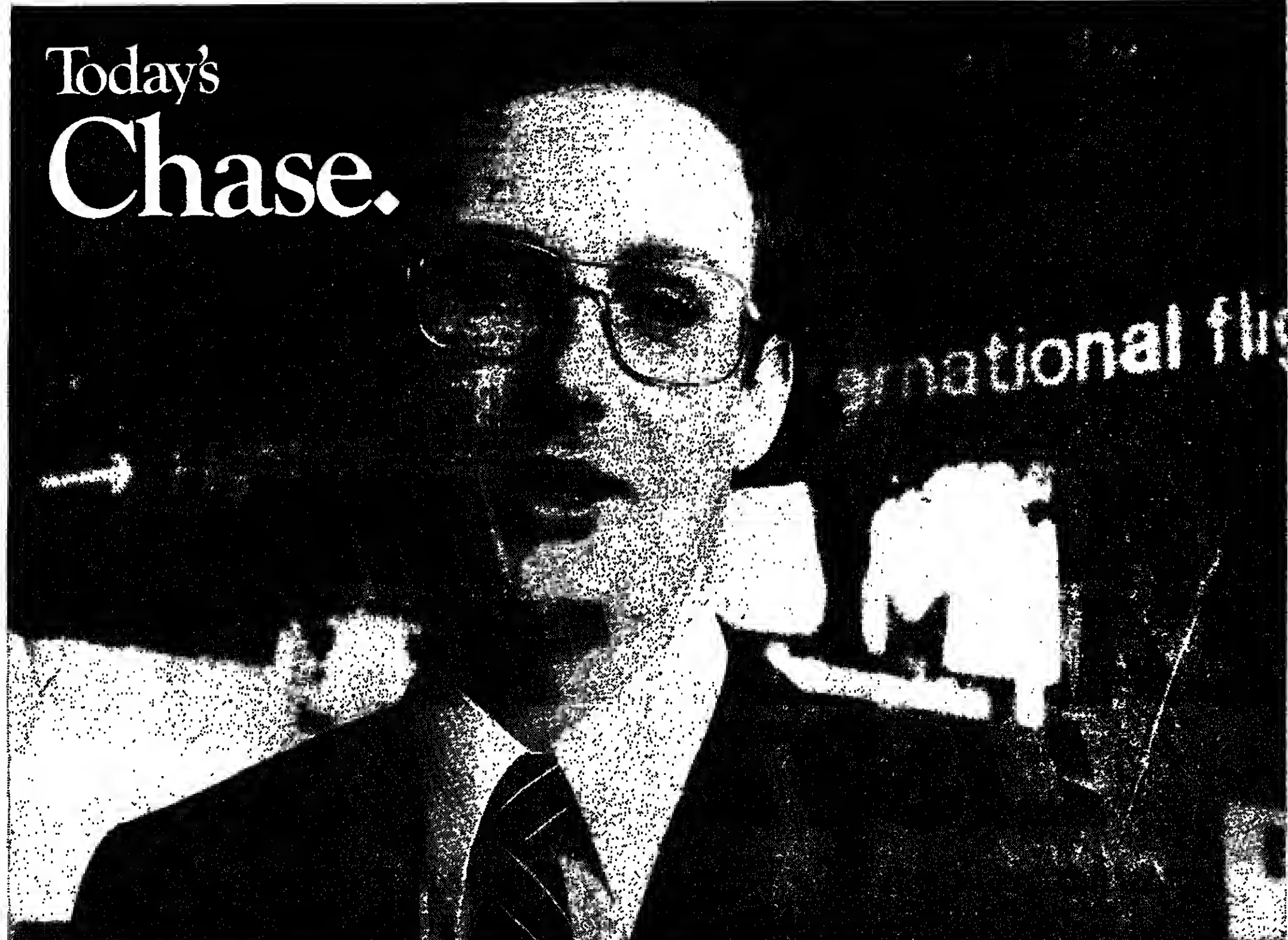
migration which appears to be under way.

Observers suggest that the Rhodesian authorities are also operating on the assumption that Bishop Abel Muzorewa will form the new government of an internationally recognised Zimbabwe after elections are held under a Lancaster House agreement.

Little love is lost between the Bishop and President Kaunda but, by the time the former will take office, Rhodesian forces will have completed a campaign which will leave Zambia dependent on the

southern railway. This grim picture leaves President Kaunda little room for manoeuvre. The Zambian defence forces, even under full mobilisation, are regarded by most observers as no match for the experienced and well-trained Rhodesian army and air force.

Yesterday's developments must, therefore, be seen partly as an attempt to boost morale in Zambia itself, and partly as a call for international assistance as the food shortage looms.



"In competitive export markets, even the lowest tender may not be enough. With the addition of a creative Chase financial package the contract could be yours."

If you sell overseas you need a specialist like Bill Coulter. He is Chase's Export Finance Division Manager and it's his job to advise your company on every aspect of export finance, from borrowing under the various ECGD guarantee schemes to selling trade paper on a non-recourse basis.

Bill and his team are only one part of Chase's worldwide export finance network, built with trade finance specialists located in all the primary trading centres. With a wealth of experience and a global network stretching through 100 countries, Chase is located in the places where you are doing business. The Chase network can provide you with in-depth and current knowledge of local customs and regulations so vital to successful exporting.

In addition, your Chase relationship manager can arrange pre-export finance, the Chase Merchant Banking Group, a world leader in loan syndications, can structure the Eurocurrency facility to cover down-payment and local

construction costs, and our local branch can provide working capital loans to the importer. Few banks can offer such a complete package in support of your exports.

While day-to-day trade finance requires speed of response and attention to documentation, project business is much more complex, often involving a combination of government supported credit insurance schemes such as U.S. EXIM, COFACE and HERMES. To handle both successfully requires Chase's proven international flair and creative thinking, which only a multinational bank can provide.

For all your trade finance needs contact Bill Coulter or your relationship manager and challenge Today's Chase to do the best job for you in delivering the goods.



CHASE

THE CHASE MANHATTAN BANK, N.A.; WOOLGATE HOUSE, COLEMAN STREET, LONDON EC2P 2HD. CHASE HAS EUROPEAN OFFICES IN AMSTERDAM, ANTWERP, ATHENS, BELFAST, BRUSSELS, COPENHAGEN, DUBLIN, DUSSELDORF, FRANKFURT, GENEVA, GHENT, HAMBURG, JERSEY, LIEGE, LONDON, LUXEMBOURG, LYON, MADRID, MILAN, MOSCOW, MUNICH, PARIS, PIRAEUS, ROME, ROTTERDAM, SALONICA, STOCKHOLM, STUTTGART, VIENNA, ZURICH.

هكاز من التحويل

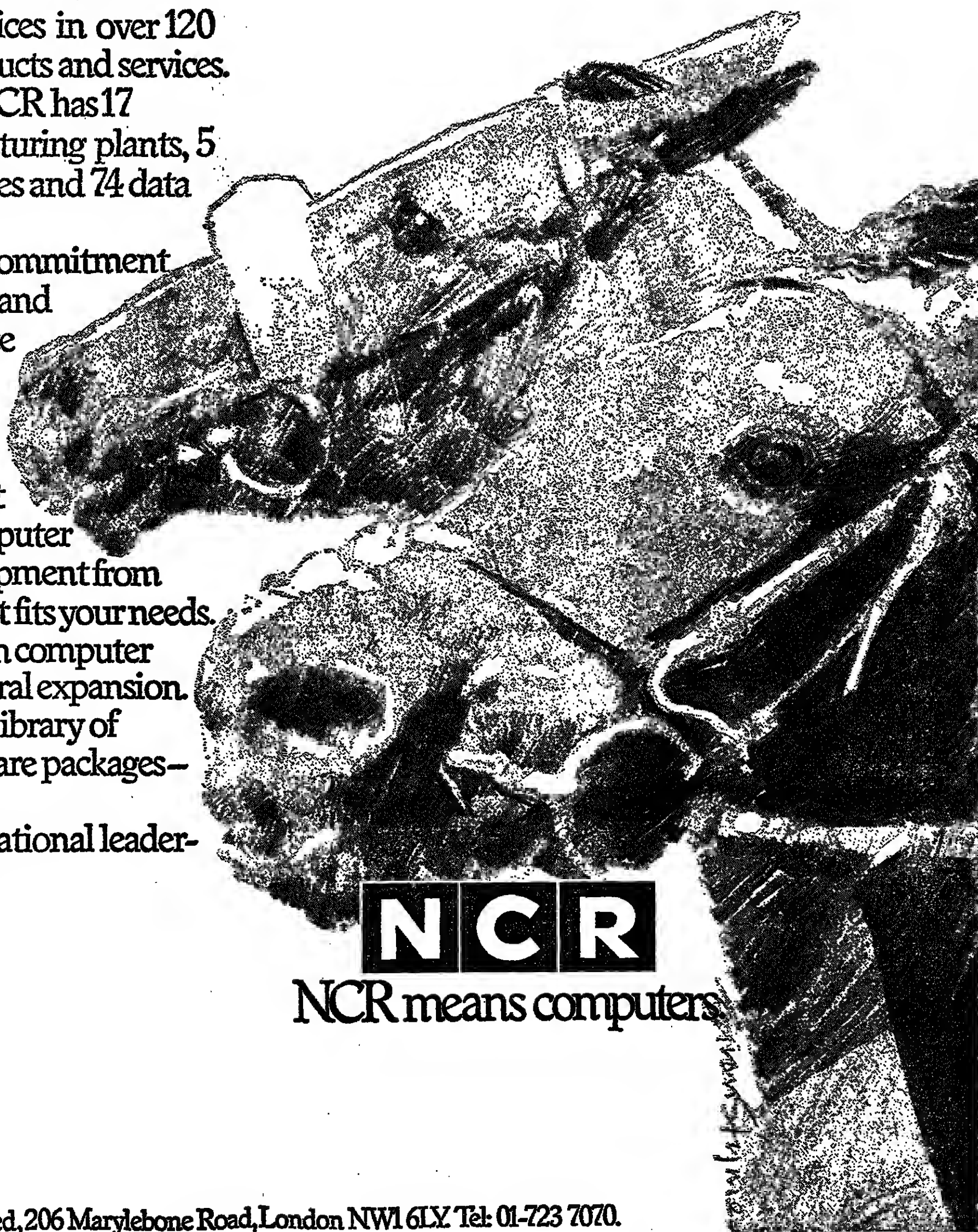
NCR means a computer company that's a leader world-wide.

NCR is in the front row among computer companies—on a world-wide basis. More than 1200 offices in over 120 countries offer NCR products and services. Throughout the world, NCR has 17 engineering and manufacturing plants, 5 systems engineering centres and 74 data processing bureaux.

NCR's continuing commitment to technical development and innovation assures its place among the leading computer manufacturing companies.

A commitment that assures you a range of computer systems and ancillary equipment from which to select the one that fits your needs. It provides compatibility in computer systems, allowing for natural expansion. And it offers an extensive library of flexible, ready-made software packages—to keep costs down.

NCR means international leadership in computer systems.



NCR

NCR means computers

AMERICAN NEWS

Fed's squeeze cuts housing starts by 8%

BY JUREK MARTIN, U.S. EDITOR, IN WASHINGTON

AN EARLY indication of the impact of the Federal Reserve Board's credit squeeze is apparent in the announcement that house building dropped appreciably last month. In October, housing starts were running at a seasonally adjusted annual rate of 1.76m units, 8 per cent below the 1.91m level of September and 14 per cent below the figure of October last year.

There was an even sharper fall of 13 per cent, in the number of new building permits granted in October compared with the previous month.

Analysts emphasised that the decline in October was but a harbinger of a steeper contraction in the winter months. The Fed's measures, announced on October 8, have not yet had time to bite fully it is thought.

The drop in housing starts was not uniform across the country, with the far west and north central regions suffering the sharpest falls. There were slight increases in the south and north east, where Government subsidised housing programmes

continue to act as something of a cushion.

The housing figures are not surprising given the level of interest rates prevailing before the Fed's moves. Most mortgage institutions have substantially cut their lending, while a substantial minority, particularly where usury ceilings exist on interest rates, have cut back altogether.

It now appears clear that two major segments of the economy—construction and the car industry—are entering a recession together. Classically, one, usually housing, has led the other.

The decline in car sales has had a substantial impact on another economic statistic—the rise and fall of personal income. In October, personal income advanced by a seasonally adjusted annual rate of 0.8 per cent compared with September. Pay increases for federal employees accounted for a good part of this increase, which was still outstripped by the rate of inflation.

Cuba launches aid plan for Caribbean states

BY HUGH O'SHAUGHNESSY, LATIN AMERICA CORRESPONDENT

CUBA is this month launching a major political campaign in the Caribbean with the despatch of about 1,000 extra technical personnel to neighbouring countries.

On Monday President Fidel Castro bade farewell to 554 teachers being sent to Nicaragua where the Sandinista Government is to launch a mass literacy campaign early in the new year. The teachers are to stay in Nicaragua for two years.

Cuba is donating their services to the Nicaraguans. The Castro Government ran its own mass literacy campaign in the early years after the Cuban revolution.

As well as teachers, Cuba sent security personnel to Managua in July who in the first days after the overthrow of the Somoza dictatorship guarded

sensitive areas like Managua's main airport.

Mr. Maurice Bishop, Prime Minister of Grenada who came to power in March after the overthrow of Sir Eric Gairy, announced on Sunday that 250 Cuban technicians were expected to arrive today to start building a new international airport.

The agreement with the Cuban Government, he said, came as a result of his talks with President Castro at the UN General Assembly last month. Several ships were being loaded with construction machinery in Havana for use on the new airport, the Grenadan leader added.

Britain, Canada and France have expressed interest in the airport project but the Grenadan Government has complained of delays in putting plans into practice.

Canadian Tories lose two by-elections

By Victor Mackie in Ottawa

MR. JOE CLARK'S Progressive Conservative Canadian Government has been pushed to the brink by two by-elections which went against it on Tuesday.

Mr. Clark's Tories managed to lose to the socialist New Democratic Party the Prince Albert seat in Saskatchewan, long held by the Tory stalwart Mr. John Diefenbaker, the former Prime Minister, who died this autumn. In Newfoundland the Liberal Opposition retained a seat vacated by Mr. Don Jamieson, the former Foreign Minister, when he went into provincial politics.

As a result, the house is neatly divided 141-141 between the Tories and the Social Credit members from Quebec, who have supported it hitherto, and the two opposition groups—the Liberals and the NDP.

In the case of a tied vote, the Speaker, a Liberal, would probably obey tradition and cast his vote for the Government. But things are not quite so simple. One Tory, Mr. Paul Yewchuck, who has a grudge against the Prime Minister, refused to attend the House when the Government earlier this month won a confidence motion by a margin of two votes.

Offsetting this, Mr. Arnold Peters, NDP, has said he will not take part in snap votes of confidence sprung on the House by Mr. Pierre Trudeau, the Liberal leader and former Prime Minister, whom Mr. Clark ousted in the May 22 General Election. But Mr. Peters did say he would take part in "regular" votes.

But the cards are not all stacked against Mr. Clark. In the first place, winter elections are traditionally avoided in Canada because of the fierce weather. Furthermore, many Liberals do not feel ready for battle: Mr. Trudeau himself said on Tuesday that he was in no special hurry to defeat the Government.

PARTY STANDINGS

	Gen. Elect.	Now
Tories	136	136
Liberals	114*	114*
NDP	26	27
SoCred	6	5

* Includes Speaker

THE PACE of progress towards full independence for this remote and underpopulated British colony hangs in the balance today as voters in Belize (formerly British Honduras) go to the polls to elect a new National Assembly.

The incumbent Premier, Mr. George Price, wants independence as soon as possible. But he is facing a powerful challenge from the conservative opposition led by Mr. Dean Lindo, who is happy for the Central American territory to remain a British dependency for many years yet. Mr. Lindo's United Democratic Party (UDP) is favoured to beat Mr. Price's People's United Party (PUP) by an appreciable margin.

Mr. Lindo's tumbledown lawyer's office in Belize City is a wooden building on stilts, like many of the houses in the country. Outside, a calypso band practices in the afternoon sun while barefoot children play in a dirty, unpaved street riddled with potholes and overflowing drains.

Further down the street a mass of jobless people—unemployment in the city is estimated at 20 per cent—hang around the harbour as a brass band marches past with instruments glinting in the sun.

Both the People's United

Election may dash British hopes to quit Belize

Calypso colony in no hurry to cut loose

BY WILLIAM CHISLETT IN BELIZE CITY

BELIZE
Area: 8,867 square miles.
Population: 140,000—Negro, Maya, Carib, European.
Exports: Sugar, citrus, chicle.
Gross National Product 1978 (est.): US\$ 114m.
Capital: Belmopan.
Principal town and port: Belize City (pop. 45,000).

Party and the opposition United Democratic Party favour full independence, which Britain is willing and indeed anxious to grant. But the United Democratic Party, which over the years has been making successive and substantial gains at municipal and national level, wants independence at a far slower pace than the People's United Party. However the whole problem has been deadlocked by neighbouring Guatemala's refusal to give up its historic claim on Belizean territory.

If Mr. Lindo wins, he says he will try to break the independence stalemate by trying to persuade the U.S. to use its influence in Guatemala to persuade the Government there to drop or change its demands. "The U.S. has clout and can tell Guatemala to lay off," he says. Hitherto the U.S. has abstained on the

Belize issue at the United Nations.

Neither political party in Belize is prepared to give up land to Guatemala, and Britain is not prepared to meet the parties' wishes and enter into a post-independence defence treaty to protect the country, which is about the size of Wales. British troops have long been stationed in Belize at considerable cost because of the threat from Guatemala's right-wing military regime.

Mr. Price has been steadily losing popularity. In the last general elections in 1974 the opposition won six of the 18 seats, and in 1977 the ruling party lost all nine of its seats in the Belize City elections. The opposition then won control of five of seven other towns in municipal elections last year.

If this trend continues Mr. Lindo will come to power and the British Government will find him less disposed to independence and more interested in building up the country's sagging economy by opening it up further to foreign investment.



which has been held in a mixture of intense heat and sudden downpours.

The United Democratic Party will probably draw on most of the new voters in the 1981 age bracket, for it was the opposition which took the initiative in getting the voting age lowered to 18 after the last general election.

Mr. Lindo would also try to persuade Britain to maintain a training camp as opposed to a full military force in Belize after the country achieves independence. There is already

a jungle warfare school here. He says a training camp would not interfere with Belize's sovereignty and would act as a deterrent to Guatemala's territorial designs.

Mr. Lindo also says he fears that if Mr. Price wins the election he "will do anything to become Premier of an independent Belize and perpetuate himself in power." He charges that there are fellow travellers in the ruling party who have been making overtures to Cuba.

Both parties have been concentrating on domestic issues. The People's United Party speaks of its record of achievement, the opposition punches holes in it. Indeed, domestic issues have struck more chords locally than the independence issue, and Mr. Lindo plays on "domestic matters cleverly."

Animosity reached such a point in the campaign that the ruling party distributed leaflets alleging that Mr. Lindo was linked to the Rev. Jim Jones's movement in Guyana and the mass suicide in Jonestown a year ago.

Mr. Lindo admitted that he visited the movement in California long before the tragedy, but insisted that was his only connection "with this smear campaign."

Oil shortage warnings fail to convince Americans

BY DAVID ECHAN IN WASHINGTON

THE U.S. ADMINISTRATION, having renounced for political reasons all oil imports from Iran, had to take seriously the threat of oil and petrol shortages at home, a senior Energy Department official warned yesterday.

Much of the problem might be alleviated if Iran kept up overall production and re-directed the 700,000 barrels a day it previously shipped to the U.S. to other markets, said Mr. John Sawhill, the Deputy Energy Secretary. This in turn would make more non-Iranian oil available for the U.S.

Mr. Sawhill, a newcomer to the department, made clear he did not want to be caught out by a sudden shortage, as his predecessors were last spring. The world demand and supply for oil was in "delicate balance" and this would become even more precarious next year, with no major oil-

producing country planning to increase exports.

But the imprecise picture given yesterday by Mr. Sawhill, with no exact forecast of a shortfall in the U.S. will do nothing to help the Administration push the states into setting voluntary energy conservation targets. State governors reacted coolly to Administration urging last week that they cut state governments' use of oil by 5 per cent.

Rationing

Only California has re-introduced the odd-even petrol rationing system which many states imposed in the summer. Governors are generally sceptical until the Administration comes up with hard figures of an impending shortage.

Indeed, Mr. Sawhill himself crowed mildly over the indications that Americans are in any

case using less energy this year. Total oil consumption in October ran at just over 17m b/d, compared with 18.4m b/d a year earlier. The average American car is apparently being driven 175 miles a week, down from the 230-mile figure a year earlier.

Searing world oil prices were the biggest factor in squeezing domestic energy use, Mr. Sawhill thought. But the Carter Administration is deeply worried—as are other indus-

trialised countries—about the prospect of the Organisation of Petroleum Exporting Countries (OPEC) raising prices again when it meets next month in Caracas.

Spot market

Conditions in the oil spot market, where prices are now \$35-40 a barrel compared with OPEC contract prices of \$22-24, make such an increase more likely.

Mr. Sawhill claimed that other

industrialised countries grouped in the International Energy Agency (IEA) were rallying around President Jimmy Carter's plan setting specific oil import ceilings. He expected the IEA ministers' meeting in Paris next month to show OPEC producers "we are serious."

But though Mr. Carter announced in July an 8.2m b/d import quota for the U.S. in 1979, the Administration is still dithering about how to enforce that ceiling.

Call for better meat marketing

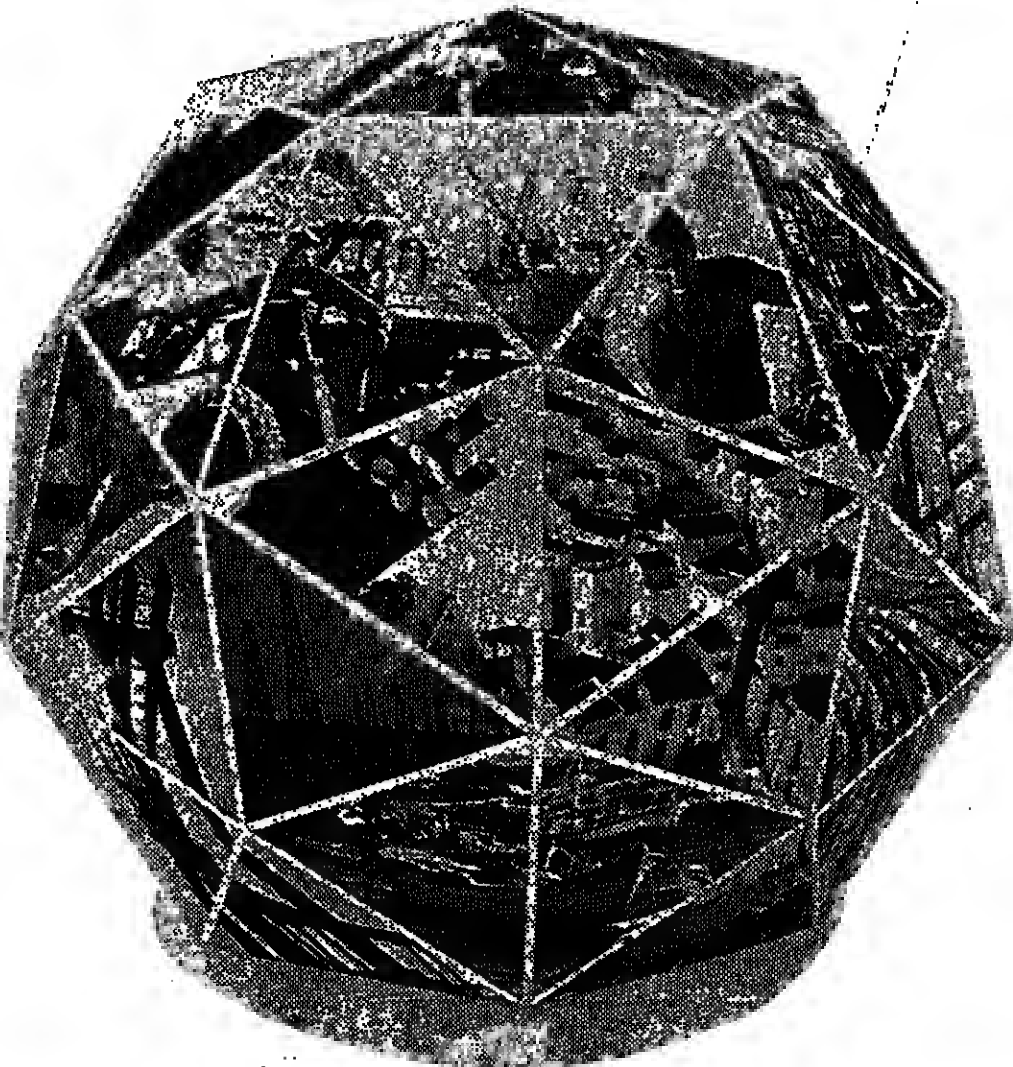
LIVESTOCK producers and meat companies should work together better to co-ordinate the supply of finished stock to abattoirs, says a report on livestock and meat marketing published yesterday by the

marketing policy committee of the Central Council for Agricultural and Horticultural Co-operation.

The report recommends rationalising the livestock production and marketing chain,

improving producer access to abattoir and meat trade outlets, and exploiting export opportunities—which, it is hoped, will help co-operatives and other producer groups to improve their marketing.

GEOBANKING



The Manufacturers Hanover Way of Worldwide Banking

Geobanking.
It is money moving and working around the world. It is the Manufacturers Hanover way of worldwide banking.

Unlike most major international banks, Manufacturers Hanover does not enter a region or a country with a rigid operational philosophy. Instead, it adopts a way of banking

that works best for a particular place at a particular time.

Geobanking.
It is wholly responsive, since it fine-tunes banking to national and regional needs. It is flexible, admitting swift adjustment to changes in prevailing conditions.

And Geobanking enables Manufacturers Hanover to marshal strengths from the worldwide resources of a \$45 billion organization.

MANUFACTURERS HANOVER The banking source Worldwide.

Worldwide Headquarters: 350 Park Avenue, New York, NY, 10022
London Branches
City Office: 7 Princes Street, EC2P 2LR
Grosvener Square: 88 Brook Street, W1A

Incorporated with Limited Liability in USA. Member FDIC.



READING THIS COULD BE A MOVING EXPERIENCE.

By the time you've finished reading this advertisement, you could well be feeling distinctly restless—particularly if your company is looking for a new industrial location.

Because between here and the coupon, we're going to convince you that three of the country's most attractive industrial sites can be found in Central Lancashire.

In just three short years, over one million sq. ft. of the industrial space they offer have gone to local, national and international companies such as Edbro, Boulton & Paul, Seddon Atkinson and Debenhams.

Walton Summit, our first site, already houses 70 companies.

And the two latest locations are proving every bit as successful.

Every one of our sites offers all the advantages you'd expect of a prime industrial location.

They're right at the heart of the motorway network, which puts them no more than an hour away from Britain's deep-sea Atlantic containerport at Liverpool, or from Manchester with its port and International Airport.

What's more, the Inter City railway network is right on the doorstep, putting London just 2½ hours away.

There's a choice of ready-built factories and warehouses—from 3,000 to 30,000 sq. ft.—

and a range of plots too, from 1 acre upwards. So there's bound to be one that's just right for you.

All the sites have full services laid on, as you'd expect.

But what may surprise you are the fine standards of building design and layout, the carefully planned access roads and the green landscaped settings.

If by now, we've begun to make you feel a little unsettled, call our Commercial Director, Bill McNab.

He'll be pleased to arrange for you to come and look around.

Or you can simply clip the coupon and we'll send you full information on Central Lancashire and its 3 prime industrial locations.

Central Lancashire

The foundation for your future.

Please send me full details on Central Lancashire's 3 prime industrial sites.

Name _____

Position _____

Company _____

Address _____

MOSSIDE DEVELOPMENT Central Lancashire

Box 10, W. McNab, F.R.C.S., Commercial Director
Central Lancashire Development Corporation, Chertsey Hall, Bamber Bridge,
Preston PR5 6AX. Telephone: Preston (0772) 36281.

FT19/11

HOW TO BUILD A BOEING.



The new Boeing 767 won't leave the ground until 1981. But it has already flown 17,000 hours at speeds near the sound barrier at pressures similar to altitudes up to 35,000 feet.

Engineer Dick Day, assistant Carol Hutson, and a team of Boeing people have been putting aerodynamically-perfect scale models of the 767 through an exhaustive series of wind tunnel tests for more than four years.

These tests help verify engineering calculations about fuel efficiencies and the integration of lightweight



structural components, as well as predict flying characteristics.

As advanced as this technology may be, it is still people

ingenuity that makes it all possible. And that's true in every stage of design and construction of a Boeing jetliner.

For it's all too easy to think



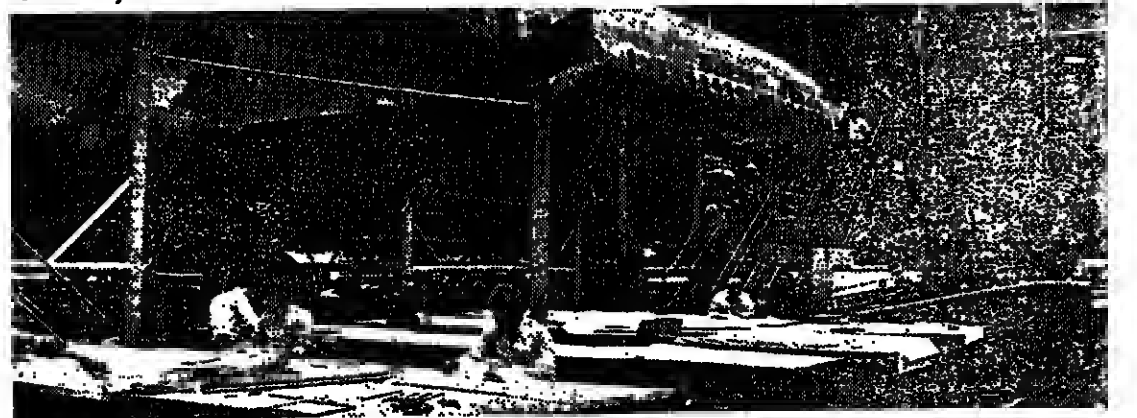
a Boeing is built on an enormous, fully-automated assembly line. Actually, every Boeing on the line is custom-built.



A meticulous hand-made construction of literally millions of wires, aluminum panels, struts, ribs, levers, wheels, dials, motors, rivets, pumps, electrical devices and count-

less sub-assemblies.

But before any new model is built, there is a full-scale



dress rehearsal. That's what these pictures show. Besides

Machines make it easy, people make it possible.



extensive wind tunnel tests, a detailed mockup of the aircraft is constructed.

So even before the 767 gets off the ground, we know it will.



THE BOEING FAMILY
Getting people together.

WORLD TRADE NEWS

ASEA wins Soviet gas plant contract

By David Satter in Moscow

ASEA, THE Swedish electrical equipment manufacturer, has won a contract valued at approximately SKr 150m (£16.3m) for the delivery of a gas insulated substation to distribute power for the entire Stary Oskol metallurgical complex now going up near Kursk.

The contract, which was awarded to ASEA against West German competition, by the Metallurgimport Soviet foreign trade organisation, covers the design of the building, manufacture and delivery of the station as well as supervision of construction.

Krupp deal

The substation is one of the largest receiver transformer stations so far ordered in the world. It will receive power at 330 kilovolts and distribute it at 110 kilovolts. It will include four, three-phase power transformers, each rated at 320 megavolt amperes. Installation will be completed in 1982.

In March, the Krupp concern won a DM 350m contract to deliver an electric steel plant to the Kursk complex.

It also it due to be completed in 1982 and will have an annual production capacity of 1.45m tonnes.

A contract has also been signed for a giant pelletising plant for the complex, but there has so far, been no decision on the contract for DM 500m rolling mill for the Kursk complex. It is expected that when the entire Kursk complex is completed it will use more than 1,000 megawatts of electrical power and will produce millions of tonnes of iron pellets and rolled steel every year.

High hopes for China hovercraft plan

BY LYNTON McLAIN

THE BRITISH Hovercraft Corporation has proposed to China a joint venture for the production of the Super 4 hovercraft in China.

The development follows a total of 11 visits by Chinese officials to the corporation's works on the Isle of Wight and two visits to China this year by BHC management.

Chinese officials told the corporation that any agreement that may be reached would involve a joint venture production of hovercraft.

Components for the Super 4 hovercraft — which operates in the English Channel — would be made in Britain for assembly in China.

The next stage is for BHC to present its detailed proposals at the British Aviation Equipment Exhibition, to be held in Shanghai in March. The draft proposals were finished yesterday and will be given to the Chinese Embassy in London before the exhibition.

The corporation said yesterday that the final assembly would be based initially on

major components, sub-assemblies, system components and bought-in items, all supplied by BHC. But at a later stage, the corporation envisaged that some of the main components might be made in China.

The Super 4 hovercraft may be used for carrying passengers on ferry routes between Canton and Hong Kong, Port Arthur and Chefoo and over the Hainan Strait. Other routes, including that up the Yangtze River from Shanghai could also be operated.

The hovercraft have an annual work capacity similar to that of a 5,000-ton ferry. However, the Chinese may decide to expand to between 1,000 and 1,600, by converting the existing car deck.

There may also be military applications. The British Hovercraft Corporation was invited by the Chinese Navy to give a week-long presentation in Shanghai earlier this year. The Chinese are understood to be interested in applications involving minelaying, troop-carrying and amphibious duties.

The corporation is confident that developments towards a joint venture production agreement are proceeding favourably. It has been estimated by sources in China that the BHC is about three-quarters of the way towards winning a contract. The exhibition in March organised by the Society of British Aerospace Companies, is expected to result in further progress.

China has been told that assembly of the craft requires aircraft technologies. Craftsmen needed include assembly fitters, copper-smiths, electricians, woodworkers and workers experienced in glass-reinforced plastics, as well as "modern" management, test workshops, supervisory and inspection systems.

The corporation also said that the "relatively low investment in engineering tooling and construction techniques employed make the assembly of the Super 4 in China a suitable introduction to joint ventures in the aerospace sector."

However, Rolls-Royce's Spey jet engines are already manufactured under licence in China, and other British companies are known to be actively pursuing similar arrangements.

Philip Bowring adds from Hong Kong: "China is making use of the syndicated Eurodollar market to finance its capital goods exports. It was learned here yesterday that the Bank of China and Paribas are arranging a U.S.\$144m loan to Beam Shipping Company of the Philippines to finance the purchase of ships by the Philippine companies from China.

The ten small general purpose cargo vessels will be supplied over a period of three and a half years.

The loan is expected to be at a margin of 1 per cent over Libor, and over ten years with a three and a half years grace period. It will be guaranteed by the Philippine Government.

China produced 101m television sets in the first 10 months of this year, a 160 per cent increase over the same period last year, the New China News Agency said. Reuter reports from Peking.

Tighter code sought for world-wide corporations

By Brij Khindaria in Geneva

COMPLAINTS BY developing countries that multinationals abuse their power in international trade by using business practices that harm Third World enterprises and exports are the focal points of a three-week conference here.

The aim of the 73-nation conference is to establish a set of rules to control or eliminate restrictive practices used by multinationals, which adversely affect the international trade of developing countries.

The rules have been under negotiation for more than three years in expert groups and the conference is designed to overcome the remaining obstacle to agreement.

After a long tussle, the developing countries, acting together as the Group of 77, agreed in earlier talks that the rules should be voluntary. They should be used as guidelines by governments considering new legislation and by multinationals wishing to do more business in the Third World.

Western countries have approached the negotiations with a great deal of caution and, despite the optimism voiced at Monday's opening session by Sr. Jose Sanchez Munoz of Argentina, the conference chairman, breakdown cannot be ruled out.

Developing countries claim that, through acquisitions and affiliates in foreign countries, multinationals have acquired a stranglehold over some markets and often in a position to dictate terms to developing country governments whose entire national budget may be a fraction of the company's consolidated turnover.

As a result, governments have in the past accepted restrictive business practices under which domestic enterprises are reined-in or competitive imports from other foreign suppliers are curbed to obtain investment from certain multinationals. Many multinationals also traditionally dominate certain sectors such as mining or cash crop cultivation in Third World countries because of their colonial past.

The main arguments in the present talks are expected to centre on the extent to which the draft rules and principles would apply to restrictive business codes allegedly practised in relations between a multinational parent and its Third World subsidiary. The West wants these to be treated as matters internal to the multinational while the Third World wants them to be seen as international transactions.

Another major difference of opinion concerns the privileges to be given to developing country enterprises. The West wants such companies to be treated in the same way as foreign subsidiaries.

The West has also questioned the business practices of State-owned and State trading enterprises as well as curbs on business activities authorised by governments.

U.S exports to Iran down 56% so far this year

BY MARY FRINGS IN BAHRAIN

A MARKED drop in trade with Iran has reduced the percentage of U.S. exports sold to the Middle East and North Africa from 10.8 to 7.7 per cent, comparing the first three quarters of 1978 and 1979.

Figures from the U.S. Department of Commerce show that while exports to most Arab countries increased this year, the value of exports to Iran fell by 68.5 per cent from \$20.2bn during January-September 1978 to \$6.53bn in the same period this year. Imports from Iran also dropped, from \$2.26bn to \$1.52bn, although the level of imports into the U.S. from the whole region showed a marginal increase.

The shortfall from Iran was made up by Saudi Arabia (\$5.791bn) against \$3.5bn and to a lesser extent by Algeria, Morocco and other Arab states. All the Gulf states bought more goods from the U.S., but the figures do not include services such as consultancy or management contracts.

Figures for the first nine months, with 1978 comparisons in brackets, are as follows:

Bahrain \$129m (\$90m); Kuwait \$567m (\$513m); Oman \$69m (\$51m); Qatar \$107m (\$87m); Saudi Arabia \$3.5bn (\$3.153bn); and UAE \$497m (\$584m).

Halvor Toppoe, the Danish associated company of Snamp-roggett, a company of the ENI group, has been awarded a con-

tract for the design of an ammonia plant to be constructed by Petrochemical Industries Company of Kuwait.

The new plant, which will produce 1,000 tonnes a day of ammonia is to be situated in the Shuaiba industrial area near two 800 tonnes a day urea plants also designed by Halvor Toppoe and commissioned in 1971. It will use advanced technology and the Toppoe ammonia process.

The contract includes the licence, basic and detailed engineering, supervision of the construction and start-up of the plants. The contract for the construction and supply of equipment will be open to international tender.

Rolls-Japan deal closer

By Lynton McLain

ROLLS-ROYCE expects to sign a contract with three Japanese industrial companies for the joint development of the RB 432 jet engine by early next month.

The company is continuing talks with Kawasaki Heavy Industries, Mitsubishi Heavy Industries and Ishikawajima Harima Heavy Industries. Development costs would be shared between Rolls-Royce on the one hand and the three companies on the other.

Talks seek end to deficit with E. Germany

BY LESLIE COLITT IN BERLIN

BRITISH TRADE and company representatives have spent three days in talks with East German trade and industry officials to try to discover why UK exports to East Germany are doing worse than those of its competitors.

Britain's exports to East Germany in the first nine months of this year were £40m, while imports from East Germany were £74.7m. This is the largest deficit with any Comecon country with the exception of the Soviet Union. East Germany ranks fourth in Britain's trade with Comecon states after the Soviet Union, Poland and Czechoslovakia, and soon appears likely to be overtaken by Romania.

A 12-member delegation headed by Mr. Rex Browning,

Under-Secretary of the Department of Trade, has held talks at the East German Foreign Trade Ministry and the Chemicals and Mining Industry Ministries to pinpoint East German needs in the 1981-85 five-year plan. Senior company executives from Woodall Duckham, Davy International, Courtauld, Cementation International and GKN accompanied him at the meeting of the UK-GDR joint commission.

Overall, Britain ranked fifth among Western countries in its trade with East Germany but had the lowest exports of seven other leader Western traders with East Germany. In recent years UK companies have lost every bid for large East German industrial contracts which have instead gone to the West

German, French, Italian and Japanese.

GKN is one of four Western groups bidding for part of the largest industrial project East Germany is offering Western companies, a DM 2bn (£519m) modernisation plan for the East German truck industry. GKN is hopeful of winning contracts for several of the eight different areas of vehicle component manufacturing, including the construction of plants to turn out clutches, axles and wheels.

The UK deficit in trade with East Germany this year contrasts with an increase in East German imports from other OECD countries, apart from West Germany, and a fall in exports to hard currency countries.

The German Institute of Economic Research in West

Berlin, in an analysis of East Germany's foreign trade, says East Germany appears to have accepted a further rise in its indebtedness to Western countries. The institute says this is "plausible and entirely economic" in the light of Western willingness to offer credit and continued worldwide price increases which benefit debtors.

The institute says the foreign trade situation for East Germany continued to worsen this year. Its terms of trade with the Soviet Union and Western countries further deteriorated and the accumulated trade deficit since 1974 is said to have risen to well above DM 15bn. This is some 60 per cent of the value of total East German exports last year.

Western countries have approached the negotiations with a great deal of caution and, despite the optimism voiced at Monday's opening session by Sr. Jose Sanchez Munoz of Argentina, the conference chairman, breakdown cannot be ruled out.

As a result, governments have in the past accepted restrictive business practices under which domestic enterprises are reined-in or competitive imports from other foreign suppliers are curbed to obtain investment from certain multinationals. Many multinationals also traditionally dominate certain sectors such as mining or cash crop cultivation in Third World countries because of their colonial past.

The main arguments in the present talks are expected to centre on the extent to which the draft rules and principles would apply to restrictive business codes allegedly practised in relations between a multinational parent and its Third World subsidiary. The West wants these to be treated as matters internal to the multinational while the Third World wants them to be seen as international transactions.

Another major difference of opinion concerns the privileges to be given to developing country enterprises. The West wants such companies to be treated in the same way as foreign subsidiaries.

The West has also questioned the business practices of State-owned and State trading enterprises as well as curbs on business activities authorised by governments.

Synthetics 'threat'

BY ROGER BOYES IN BONN

WEST GERMAN and British synthetic fibre manufacturers will face extremely tough competition from the U.S. in European markets during 1980, according to a senior executive in the West German chemical industry.

Dr. Guenter Metz, head of fibre sales for Hoechst, warned that although demand for synthetics would probably rise by 1 per cent in Western Europe next year, the U.S. would stand a strong chance of soaking up the extra business.

"The U.S. producers will increasingly penetrate our West European markets because of the artificially low raw materials prices and the favourable development, for American exporters, of the dollar exchange rate."

The effect of this, he said, was already being felt by British producers who have had to cut back capacity.

West German producers have noted that raw material prices in the U.S. have been about 30 per cent lower this year than in Europe and have condemned the U.S. Government for intervening in the market to the advantage of American producers. Combined with the weak dollar and low labour and production costs this has posed a serious challenge.

Dr. Metz said that West German industry was pinning its hopes on action by the European Commission following pressure from CEFIC and CIRFS, the two European chemical and fibres umbrella organisations.

Swiss machine orders fall

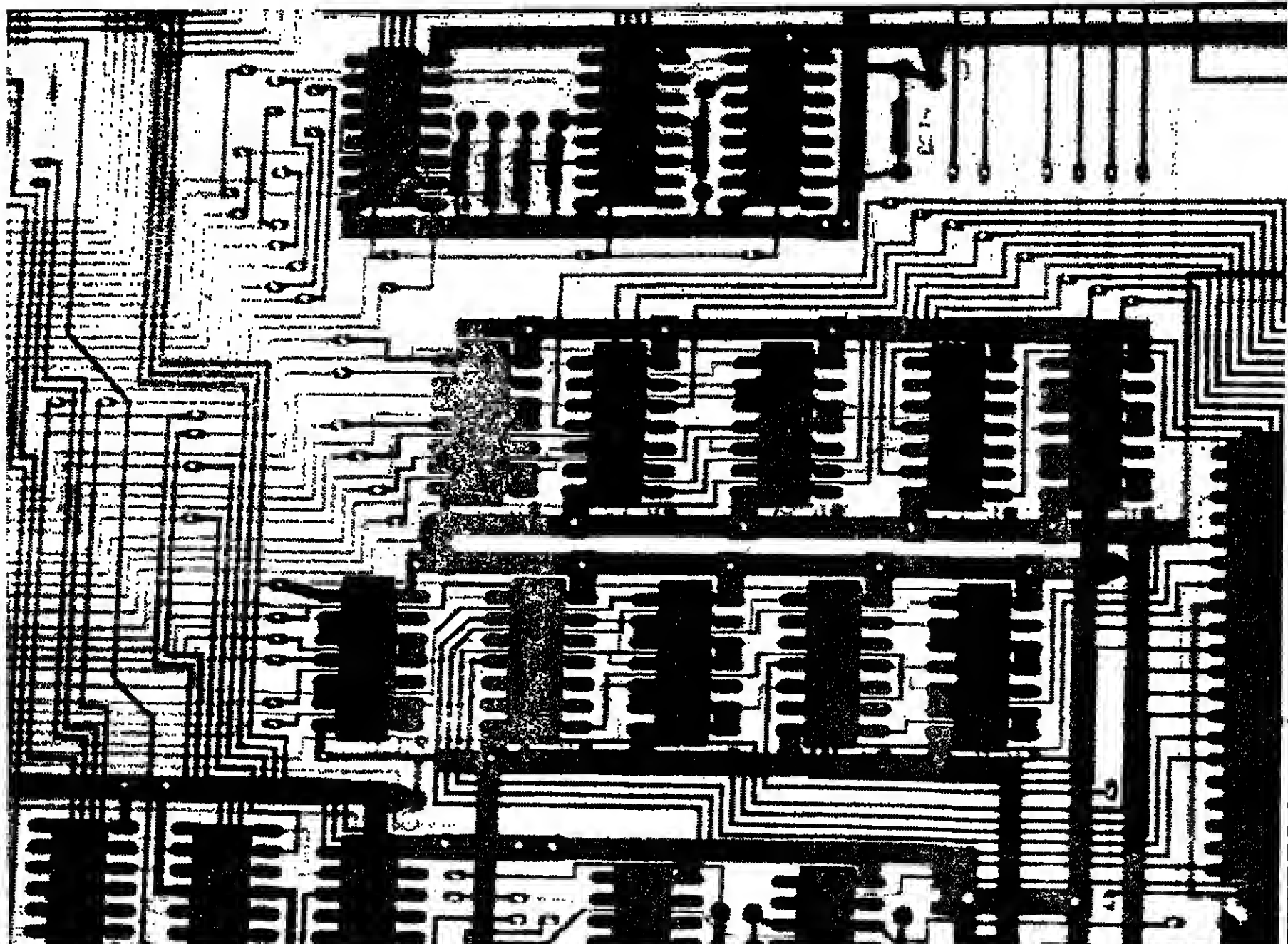
BY JOHN WICKS IN ZURICH

THERE has been a sharp fall in foreign orders for Swiss machinery and metals, according to the Association of Swiss Machine-Builders.

In the third quarter of this year, new export contracts were lower by 14 per cent and 9.4 per cent respectively than in the two preceding quarters. Expressing its disappointment at the development, by which the share of export business declined from 65 per cent to 59 per cent, the Zurich-based body said it was not fully offset

by an improvement in domestic orders.

While total new-order value of SwFr 3.3bn (£1bn) was down by 2.7 per cent and 3.4 per cent respectively, on the two preceding quarters, turnover also showed a decline. In the third quarter, sales of 200 member companies of the Association fell off by 2.8 per cent to SwFr 3.2bn. The value of work in hand of SwFr 12.8bn was slightly higher than in the second quarter but still below the corresponding 1978 level.



When it comes to reporting world markets this is how our mind works

The printed circuit board is integral to developments in computers and communications.

Reuters has invested large sums to provide over 10,000 clients in more than 100 countries with one of the most sophisticated worldwide computer networks, to ensure that they receive the first class service they rightly demand.

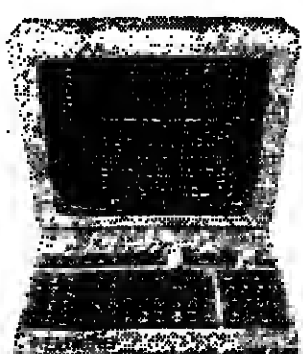
Modern communications provide our international team of 550 journalists with the tools they need to report market-moving developments to the world's financial centres.

We spend large sums on development. In most years we introduce a major innovation to improve our services.

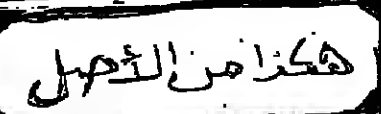
For example, in 1978 we moved into a new London Technical Centre, which is one of the most advanced computer centres in the world. This year we are doubling the capacity of the communications we use internationally to carry stock and commodity market prices, so that we can increase speed and volume.

Our trunk circuits operate at an average 99.25% reliability. We are now duplicating our main communications network to make our services even more reliable.

You may not have fully appreciated until now the strength of our communications support, but you should find it reassuring.



World markets as they move



Call for free trade in aviation

BY KATHRYN DEVIEL IN SINGAPORE

AN ATTACK on moves by some airlines to take an unfair share of the international market was made by the chairman of Singapore Airlines, Mr. J. V. P. Pillay, at a Financial Times conference in Singapore on Air Transport in the Developing World.

Mr. Pillay called for "free aviation trade" between all those countries and airlines which believe they are responsible and efficient. Referring to the recent row between Australian and South East Asian airlines over Australia's revision of its International Civil Aviation Policy (ICAP), Mr. Pillay said that during "this turbulent episode" the unity of the association of South East Asian Nations (ASEAN) remained firm and Australia backed down.

But, said Mr. Pillay, the ICAP example will be repeated in different forms, as long as aviation authorities do not recognise that their best contribution to the development of commercial aviation is to leave the market to sort itself out.

Sir Lennox Hewitt, chairman of the Australian airline Qantas, said his airline had a proud record of association with airlines of the developing world.

Sir Lennox said that Australian travellers are benefiting from the new ICAP policy and so is Australia's tourist industry. "Some of the airlines with whose establishment we were associated provide us today with most vigorous competition."

While Qantas welcomes that competition, said Sir Lennox, it is also conscious of its own national responsibility for the lowest possible fares between Australia and the UK. One of ASEAN's main quarrels with

the new ICAP proposals was that they were threatened with exclusion from that lucrative source of traffic.

Mr. Saw Huet Lye, general manager of the Malaysian Airline System, commented that differences of view on ICAP and on the U.S. deregulation policy on international services would not only affect the current and projected operations of South East Asian airlines to Australia and the U.S. but would also have implications on the future direction of the operating and marketing strategies of the airlines in the ASEAN region.

Airlines of the Third World contribute to the national development effort by providing communications, by import substitution and by invisible earnings, according to another speaker Mr. Enver Jamall, chairman of Pakistan International Airlines.

Mr. Jamall said Pakistan had found aviation a cost-effective means of establishing communication with those regions where highways were non-existent. But what was unique for the developing world was that airlines played a positive role as a major contributing factor towards national integration.

Another current controversy was touched on during the first day of the two-day conference in Singapore by Mr. Roman Cruz Junior, chairman of Philippine Airlines and also president of the International Air Transport Association (IATA). On the eve of his arrival in Singapore Mr. Cruz was quoted as saying that air travellers would face "chaotic" problems if the U.S. Civil Aeronautics Board succeeds in its determination to prevent IATA

from negotiating common air fares among its members.

Mr. Salim A. Salim, secretary-general of the Arab Air Carriers Organisation, commented that during its early days IATA was very much a cartel dominated by the large and mainly American carriers. But, he said, the new IATA is a forum where airlines discuss fares without any carrier, no matter how large, being able to coerce the others. "Even within a small region like the Middle East there is enough diversity in policies to maintain divergences in tariff policies and keep competition."

A critical note was struck by Mr. Stephen Wheatcroft, chairman of International Aeradio and director of economic development at British Airways. Mr. Wheatcroft said that the major deficiencies in air route traffic control—particularly in developing parts of the world—are in communications. Most serious are the inadequacies in ground to ground communications between flight information centres, the essential control points of the air navigation system.

Mr. Wheatcroft added that he believed that in many parts of the developing world the job of air traffic controller has not attracted people of sufficient skill or education. "This problem must be recognised and steps taken to correct it."

FINANCIAL TIMES
Air Transport in the Developing World
CONFERENCE

Real cost of oil now lower than in mid-70s

BY RAY DAFTER, ENERGY EDITOR

CONSUMERS IN the UK are paying less for crude oil — in real terms — than they did in the mid-1970s. Even if the Organisation of Petroleum Exporting Countries raises its prices on January 1, as generally expected, the price — expressed in 1972 dollars — may not reach the levels paid in 1976.

	1972	1975	1976	1978	3rd Q 1979
Arabian Light	1.90	10.72	11.51	12.70	18.00
Official price	1.90	7.37	8.50	6.45	7.10
UK	1.90	7.30	7.49	7.08	8.97

This emerges from a study which shows that currency fluctuations and inflation are dramatically distorting the true value of oil. The UK is buying Saudi Arabian light oil for about \$18 a barrel, an 84 per cent increase on the \$1.90-a-barrel price prevailing in 1972, before the first Middle East oil crisis. However, when the current price is recalculated in 1972 dollars, allowing for the effects of inflation and currency changes, the rise in real terms is nearer 27 per cent. In 1972 dollars the price of Saudi Arabian light oil — the OPEC "marker" crude — is \$7.10 a barrel, somewhat higher than the real prices last year, but appreciably lower than the cost of oil between 1974 and 1977.

In 1976, for instance, Arabian light was costing the UK \$8.50. The calculation for real oil prices has been made by Petroleum Intelligence Weekly, the authoritative oil industry newsletter. It states that while official selling prices have climbed to \$23 a barrel or more, the cost in real terms had reached only \$7 to \$11 a barrel in the third quarter of this year. Even today's spot price for crude oil — some \$38 a barrel and more — works out at only \$7 to \$11 a barrel in real terms. Inflation, in particular, has affected the true rising value of oil, especially in the UK and Italy. When Saudi Arabia's \$18 oil is recalculated on the basis of domestic inflation, the true

cost (in 1972 dollars) to the UK works out at \$6.34. However, when the current price is viewed solely in the light of currency fluctuations, the strength of sterling against the dollar is made apparent. In terms of 1972 exchange rates the \$18 a barrel oil would be costing the UK some \$20.16. The newsletter points out that officials in oil consuming nations might be fearful that such "brutally candid calculations" will only add fuel to the fire at the OPEC price-fixing meeting in Caracas, Venezuela, next month. But, however low the real costs of OPEC oil imports are seen to be, for most countries they still rose to record high levels in the third quarter of this year.

ICI plans to spend £20m on new plant

By Maurice Samuelson

IMPERIAL Chemical Industries, in one of its biggest investments for many years in its paints division, plans to spend £20m on a new resin-making plant at Stowmarket, Suffolk.

Work on the plant begins in spring, subject to local planning permission, and it is to be commissioned in early 1982.

ICI said yesterday it would be among the most advanced in Europe and able to compete with any in the world. Eventually, it will replace some of the older units at Stowmarket and Slough, the paint division's other main site, and a factory in West Germany. About 80 permanent new jobs will be created.

Profitability

The plan reflects ICI's growing profitability. Between 1977 and 1978 pre-tax profits from paints and decorative materials rose from £13m to £24m.

Mr. Denis Henderson, the division chairman, said the investment would maintain the ICI group as a world leader in paint and resin manufacture. "It is also an important step in our plans to develop our share of the total European market."

Resins are made from oil derivatives and are fundamental constituents in all paint. Most of the resin produced by ICI is used in its own paint works or by associate companies and overseas licensees.

Some consequences of freedom

● Eurosterling market, by David Marsh

ONE RESULT of Government abolition of exchange controls last month is that bankers, corporate treasurers and City investors as well as Bank of England and Whitehall policy makers will pay a lot more attention to the market in lending and depositing of sterling in banking centres outside the UK.

The so-called Eurosterling market has a volume of about £3.5bn. It is based mainly in Paris, with offshoots as widely flung as Amsterdam, Bahrain and the Dutch Antilles, and was always an area of largely academic interest so long as the British authorities maintained controls on transfers of sterling out of the country.

Scene changed

But following the sweeping away of all controls on currency movements between Britain and the rest of the world, except Rhodesia, the situation has changed.

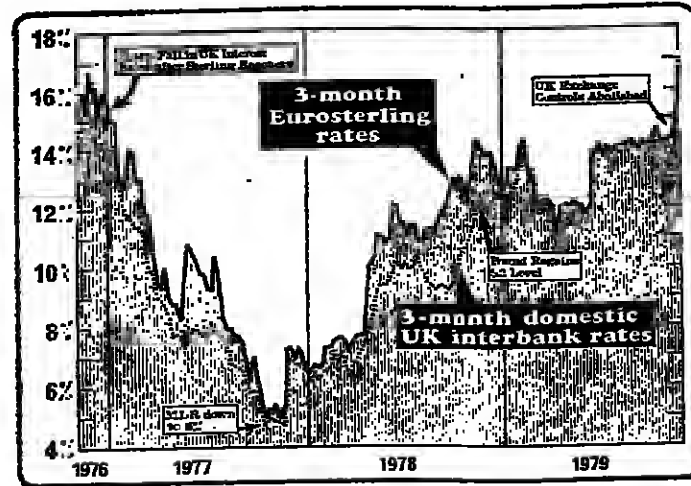
UK residents are now free to carry out depositing and borrowing transactions in sterling with banks outside Britain wherever they see an interest rate advantage.

This has wide implications for control of money supply and credit in the UK and for the international role of sterling, two subjects under active discussion at the Bank and the Treasury.

Opening up access to the Eurosterling market and foreign banking generally creates a potential loophole by which British banks and their customers can evade Bank of England restrictions on credit growth.

The "corset" controls now in operation force banks to pay punitive special deposits to the Bank of England when their interest-bearing liabilities, which they use as a base from which to lend, expand too fast.

Banks in foreign centres can now make loans in sterling or foreign currency to UK



borrowers totally free of corset controls.

Assuming a free market in Eurosterling, offshore sterling lending should normally be at a slightly lower interest rate than that from domestic banks.

Absence of reserve assets requirements for banks in Eurosterling centres lowers cost of lending, and should also allow them to offer slightly higher sterling deposit rates than in London.

As the chart shows, Eurosterling deposit rates have in the past been well above domestic levels because of insulation between the two markets created by exchange controls.

But since abolition of controls sizeable funds have already been transferred from the domestic to the offshore sterling sector to take advantage of the higher overseas interest rates. This has resulted in a lowering of the rate differential, and recently has even pushed the Eurosterling rate below the domestic level.

The obvious loophole in the framework of monetary control last week prompted Mr. Gordon Richardson, Governor of the Bank of England, to call in the

by everyone, including the Bank, as only a temporary bridging device to help contain money supply growth until a more comprehensive system of monetary control is put into place.

Relaxation of restrictions on foreign borrowing of sterling, decided as part of the exchange controls abolition, is likely, in time, to create demand by foreign Central Banks to build up their official exchange reserves held in pounds.

By agreement with overseas sterling holders, the Bank has succeeded till now in keeping the level of sterling reserves to the limits set 2½ years ago of £2.5bn.

The authorities say that Britain's fundamental economic position is not strong enough to withstand an increase in the pound's reserve role.

City observers see this as a clear contradiction of the basic justification for abolition of exchange controls — that Britain, as a "petrocurrency" State operating rigidly anti-inflationary monetary and fiscal policies, was strong enough to run its own feet.

Pressures

Depending on the success of their anti-inflation policy, the Bank and the Treasury may eventually moderate their attitude on sterling's international role.

Meanwhile pressures are building up on the oil States to diversify their currency reserves, especially after the present furor between Iran and the U.S. over the use of the dollar in oil payments.

There is a clear risk that if the oil States and other countries are thwarted from increasing their reserves in London they will build up sterling holdings on the Euro-market, creating additional room for credit expansion through the international banking system.

Rise in house prices slackening says Lloyds Bank Bulletin

BY MICHAEL CASSELL

THE RISE in house prices is slowing and in 1980 they will probably stagnate or, in some cases, fall back temporarily, according to the Lloyds Bank monthly economic bulletin.

In an analysis of the current private housing market, prepared before last week's 3 per cent rise in Minimum Lending Rate and the subsequent prospect of a big leap in mortgage rates, the bulletin says that demand for housing is expected to slacken next year.

It emphasises that average house prices have risen by 50 per cent in the last two years but concludes that the period of rapid growth is now over.

According to the bulletin, personal disposable income should rise roughly in line with inflation during 1980, but by little or nothing to real terms. Mortgage lending by building societies, it says, is likely to continue to be restricted by lack of funds and the banks will also be limited by monetary controls.

Lloyds says that while record mortgage rates may be enough to deter some borrowers, the investment rates to be offered by societies are unlikely to

prove attractive enough to increase the inflow of funds, unless competitive rates fall from present levels.

Mr. Christopher Johnson, Lloyds' economic adviser, comments: "The demand for housing may thus slacken for the next year. There are already signs that houses are becoming harder to sell and that asking prices are being reduced."

"As the economy moves into recession, house prices will probably stagnate, as in 1974, or at most rise by rather less than the general rate of inflation. An actual fall for one or two quarterly periods, such as occurred in 1974 and again in 1975, is not excluded."

The bulletin predicts that since the spread of owner occupation is an important political objective, occasional official intervention in the housing market is likely to continue and may even increase.

Lloyds says that although controls for mortgage controls has temporarily weakened with the end of the house price boom, there is still "a good long run case for more official

control of building society deposits and credits, though not necessarily of exactly the same kind as the monetary and prudential controls applied to banks."

Mr. Don Moody, president of the House-Builders' Federation, told a London housing conference yesterday that the immediate prospects for building society loans and, therefore, new house building activity, were "grim."

Mr. Moody said it was now essential for the societies to raise interest rates over and above the levels planned for January before the recent rise in MLR.

It helped no one, he said, to hold down the mortgage rate if such action merely ensured a continuing shortage of home loans.

The house building industry, he said, now faced a watershed in terms of the supply of housing finance and had to accept a permanent shortfall of funds unless new sources were successfully tapped. He welcomed the recent large increase in mortgage lending on the part of the clearing banks.

Construction orders fall sharply in September

BY ANDREW TAYLOR

NEW CONSTRUCTION orders in Britain fell sharply in September after showing signs of improvement during the summer.

According to provisional figures published yesterday by the Department of the Environment, new construction orders, expressed in constant prices, fell to £445m, the lowest monthly total since March.

There had been small signs of improvement in orders during the summer, although still below levels of a year ago, and this was largely due to work catching up after delays caused by the winter's bad weather and industrial action.

DoE figures, with workload surveys published by the Federation of Civil Engineering Contractors and the House-builders' Federation, suggest that this period of catching up has ended.

More important, there have been signs of a gradual decline in the rate of new orders for

private industrial and commercial building and for repair and maintenance work, the only recent construction growth sectors.

According to the DoE, new construction orders during the third quarter were 4 per cent lower than in the previous three months, and 8 per cent down on the corresponding period last year.

The public sector was again worst affected, reflecting the squeeze on government spending. Third-quarter orders for public housing were 4 per cent down on the second quarter and 8 per cent down on the corresponding quarter last year.

Public works orders were 19 per cent lower than in the second quarter and 15 per cent down on a year ago.

Private housing orders showed one or two third-quarter improved areas, being 23 per cent up on the second quarter and 4 per cent higher than during the corresponding period last year.

Fears on building policy

Financial Times Reporter

THE CONSTRUCTION industry will suffer "irreparable damage" unless the Government changes its policy on public expenditure, says the Federation of Association of Specialists and Sub-Contractors.

It is critical of the Government's recent White Paper on public expenditure, which said that capital spending on construction in the next financial year would "diverge substantially" from the outcome for 1979-80.

Mr. John Huxtable, director of the federation, says that though the White Paper indicates construction cuts next year on housing, roads and schools which he claims could be as much as £500m there is no indication of compensating increases in other capital work.

He has outlined his criticisms of Government policy in a letter to Mr. Michael Heseltine, the Environment Secretary, and says that the White Paper only "compared an estimated out-turn for figure for 1979/80 with a planned figure for 1980/81."

"In practice planned figures for capital work are always over-estimated. So actual capital spending on construction work next year is in effect likely to be lower than this year."

"There is a provision in the White Paper for total underspending next year of £1bn, and in recent years up to 80 per cent of all underspending has been in planned capital expenditure."

"Taking these factors into account it appears inevitable that public-sector construction spending will fall sharply in 1980-81 compared with 1979-80."

Measuring TV violence

METHODS of measuring the amount of violence shown on TV and the context in which it is portrayed are to be examined by Mr. Barrie Gunter, a social psychologist, under a two-year research fellowship awarded by the IBA.

Mr. Gunter, 25, a post-graduate research student in North East London Polytechnic's psychology department, begins the research in January.

"That Lufthansa is punctual on long flights didn't surprise me, that Lufthansa is so punctual on short flights did."

This is an authentic passenger statement.



Consult your Travel Agency or our timetable for exact details of all our flights.

Planning review 'does not seek to lift all curbs'

BY MICHAEL CASSELL

THE GOVERNMENT'S review of the planning system is not intended to remove all constraints from the development industry, Mr. John Stanley, Minister for Housing and Construction, said yesterday in London.

Mr. Stanley, speaking at a conference organised by the House Builders' Federation, said it was not true, as had been suggested, that Ministers were "giving the developer carte blanche."

Efforts to streamline present procedures were intended to speed up a system which had become embroiled in unnecessary detail and was extremely costly to the economy.

Mr. Stanley's Department was looking at the prospects for speeding up planning appeals. He claimed that appeals decided by the Environment Secretary took an average 42 weeks while those transferred to inspectors involved an average of only 25 weeks.

we are considering is that in future all appeals would be transferred to inspectors, resulting in considerable savings of time. Only for really important cases would the power of the Secretary of State to recover jurisdiction over the appeal be used."

To save decision time for appeals being determined by inspectors at inquiries, the Department of the Environment had asked the Planning Director to indicate his decision the day after the inquiry and give the formal, detailed notification later. "We are hoping to see a trial of this system of what has been called 'instant justice' in a few months' time."

The Minister confirmed the Government's plans to charge for planning applications and said a consultation document would be issued soon. Last week the Department of the Environment announced details of fees to be charged for building regulation approval.

UK NEWS

ARTHUR SANDLES AT ABTA'S CONFERENCE IN LOS ANGELES

U.S. may abolish tourist visas

THE U.S. GOVERNMENT is considering ending the need for visas for tourists from several countries, including Britain.

The domestic tourism industry in the U.S. is facing a sudden influx of foreign visitors. About 1.25m Britons will probably visit America next year, and perhaps a third of these will need to go to the U.S. Consulate in London for visas.

Ms. Jeanne Westphal, U.S. Assistant Secretary of Tourism, told the annual convention here of the Association of British Travel Agents that "legislation is being considered that will abolish the requirement for non-immigrant visas for visitors from whom we have an excellent relationship."

She said that there were about 20 countries under consideration. These included the UK,

Japan and Switzerland. Legislation could be introduced early next year.

The visa requirements of the U.S. have been considered a major obstacle to continued growth in visits to America. The present procedure for issuing visas, although it has been speeded up, is still relatively complex. It has been retained because of fears of illegal immigration.

Now the need for foreign earnings from tourism is seen as a greater priority, and the risk of thousands of Britons, Germans or Japanese using the new freedom of entry to set up home illegally in the U.S. is seen as slight.

But liberalisation of entry procedures is likely to run into considerable opposition in some quarters.

Sir Freddie Laker told the conference that he took a "five-million-dollar pasting" during his first year running the London to Los Angeles Skytrain services.

Throughout the first year of this service there were persistent reports of low loads and rumours that Sir Freddie was suffering heavy losses.

But he has admitted this only to say that he has now "got it right."

He said: "The market is hung on target. We are getting 25 per cent of it now. We, the minnows compared with British Airways, TWA and Pan-Am, have gone from 18 per cent last year to 25 per cent this year."

Sir Freddie is confident of starting his service to Hong Kong next September, and he has plans for a round-the-world

Skytrain system. In September 1977, he predicted that his round-the-world fare would be \$999. "At the moment there is a good chance that it could be as low as \$802," he said. "I am confident I can beat my 1977 forecast."

Earlier in the conference Sir Freddie clashed with rival airline representatives following his call for a free-for-all in ticket pricing.

He accused the scheduled airlines of using high basic fares to subsidise promotional fares designed "to put people like me out of business."

He also urged a British Airways executive to "stop talking rubbish," and he disagreed with British Caledonian over how much fares should be cut and how quickly the cheaper fares network should spread.

Mr. Duncan Haws, British Caledonian's marketing director, voiced doubts about the deregulation of airline services such as had been seen in the U.S. He said there was no reason for travellers to get lower fares at the expense of travel agency bankruptcies.

Sir Freddie said that in the long run the agents would do better from an increased market.

Mr. Ray Colegate, a senior official of the Civil Aviation Authority, said that the Authority would "not interfere any more than seems necessary."

But if Britain's Civil Aviation Bill, which has just had its second reading in the Commons, becomes law, the Authority would be free to run British air traffic without guidance from the Government.

Banking Act wins O'Brien's approval

BY MICHAEL LAFFERTY.

THE RECENTLY enacted Banking Act should receive unqualified approval from the British banking system, said Lord O'Brien, Governor of the Bank of England, yesterday.

Delivering the Institute of Bankers Ernest Symes memorial lecture, he said the Act would remove a good deal of confusion arising from divided responsibilities, for example, between the Bank of England and the Department of Trade.

Lord O'Brien believed that the Act, containing Britain's first banking legislation, should benefit the banking system "by ensuring good order and discipline throughout the whole range of deposit-taking institutions while not to any degree impairing that freedom to do business under the benevolent eye of our central bank."

Union seeks new technology talks

BY DAVID CHURCHILL, CONSUMER AFFAIRS CORRESPONDENT

TOP-LEVEL talks about introduction of new electronic technology into retailing were proposed yesterday by the largest shopworkers' union, the 480,000-strong Union of Shop, Distributive and Allied Workers.

The talks would mainly cover laser-scanning electronic checkouts coming into supermarkets in the next few years.

Already the Key Markets supermarket group has started an operational laser-scanning system. The other large multiple chains, including Tesco, Sainsbury and International Stores, plan to start their own systems early next year.

The new laser-scanning electronic checkouts, already widely in use in U.S. and Europe, contain a low-power laser beam which reads a special bar-code printed on each item as it goes through the checkout. The price is automatically retrieved from the in-store computer. Shoppers are given a receipt detailing the item and its price.

Fewer staff will be needed once the system is in operation, not only because of the faster check-out service expected, but also because staff will no longer be needed to fix prices manually to goods in the store.

Mr. John Flood, USDAW deputy general secretary, offered talks to plan introduction of this new technology without industrial dispute.

Mr. Flood, speaking at a London conference of the Article 17 Number Association, which allocates product numbers later translated into bar codes, said that USDAW's offer was "unprecedented" in the retail industry.

The union considered its policy for some time, and would debate the matter at the union's next annual conference.

"USDAW is also in close consultation with other European unions in monitoring what is happening not only in Europe but in other areas of the Western world."

The only condition for the talks would be that they should be concerned not just with wage levels "but the whole climate and development of sensible industrial relations."

Nearly 600 delegates from retailing and manufacturing companies attended the conference. Mr. Donald Harris, a Tesco director and chairman of the Article 17 Number Association, said that laser scanning and article numbering was "the most dynamic development in UK retailing since the introduction of self-service."

Already over 200 major food manufacturers have agreed to put bar-codes on their products. This is some 58 per cent of the food and drink industry's total turnover.

Retailers who have agreed to put bar-codes on their own-label products account for some 71 per cent of the industry's turnover.

Ulster managers paid less, survey shows

BY OUR BELFAST CORRESPONDENT

A SURVEY of management salaries in Ulster published this week showed top industrial and commercial managers, on an average, earned £15,500, had a company car and a pension scheme.

The study was compiled by Coopers and Lybrand Associates (NI), the management consultancy. Half Ulster's top managers were entitled to a share in profits, and a similar proportion had private health insurance provided by the company.

The top management category covered those with sole control over staff and budgets, including managing directors and general managers. It represented 5 per cent of the sample of 550 managers in 43 companies.

The next category, senior managers, represented 31 per

Coal sales rising, inquiry told

Financial Times Reporter

COAL SALES to industry are starting to rise "very steeply indeed," Mr. Malcolm Edwards, the National Coal Board's director general of marketing, told the Vale of Belvoir inquiry at Stoke Rochford yesterday.

"We shall sell at least 150,000 tons more than last year and have in prospect at least another 5m tons of new business."

"The oil companies have made it clear they are withdrawing from heavy oil in favour of gas and petroleums, so there is a great concern throughout industry to move to more reliable fuel sources."

The list of industries negotiating to change to coal was "commercially confidential."

Bread profit margins of 60 major companies 'extremely low'

BY LISA WOOD

PROFIT MARGINS for bakeries have been "extremely low," says a report by Inter Company Comparison published yesterday.

It looked at 60 of the major companies within the industry over three years, ending September last year. Profit margins during the period had fallen from 3.4 per cent to 1.8 per cent.

One of the major factors for the industry's poor performance was the decline in bread consumption during a period of rising living standards, said the report.

The other main factors have been pricing policy and over-capacity, said ICC. At the beginning of 1977, the Government lifted the discount ceiling on bread and coupled with the retail price war, higher discounts were given.

The position was exacerbated by Spillers' decision to increase volume and gain a greater share of the market. The final blow was the bread strike in September 1977, said ICC.

The outcome of this gloomy background was the withdrawal of Spillers from bread making and an obviously much-needed reduction in capacity within the industry. Nevertheless, the bread industry was in a loss making position in the first quarter of 1978 and possibly in the second quarter as well," said the report.

Banking Act wins O'Brien's approval

BY MICHAEL LAFFERTY.

THE RECENTLY enacted Banking Act should receive unqualified approval from the British banking system, said Lord O'Brien, Governor of the Bank of England, yesterday.

Delivering the Institute of Bankers Ernest Symes memorial lecture, he said the Act would remove a good deal of confusion arising from divided responsibilities, for example, between the Bank of England and the Department of Trade.

Lord O'Brien believed that the Act, containing Britain's first banking legislation, should benefit the banking system "by ensuring good order and discipline throughout the whole range of deposit-taking institutions while not to any degree impairing that freedom to do business under the benevolent eye of our central bank."

Corby attracts inquiries from 100 companies

FINANCIAL TIMES REPORTER

CORBY Development Corporation has received more than 100 inquiries for factory space in the town since it was granted development area status 11 days ago.

British Steel is to close most of its iron and steelmaking plant in the town by early next year with the loss of 5,500 jobs.

The corporation said yesterday that 75 per cent of those inquiring had expressed specific interest. If all of them took up factory units, 3,500 new jobs would be provided in the town.

At its meeting yesterday the corporation's Board approved contracts worth nearly £2.25m for construction of eight advanced factories and a new road at the town's Earlstrees Industrial Estate.

Feature Page 22

Post monopoly should end

THE POST OFFICE monopoly on mail delivery should be ended, says The Forum of Private Business following a survey of its 3,000 member companies.

The survey showed more than 60 per cent of the members were against the monopoly being retained.

"The sooner that competition is allowed, the more quickly will Britain enjoy a better mail service," said Mr. Stanley Mendham, chief executive of the group, which represents owners of private enterprises.

"With all its good intentions, the Post Office mail operation is on the road to hell as a monopoly it has no market incentive to improve the service," he said.

Shipbuilders win £1.8m order

CLELANDS SHIPBUILDING COMPANY, Wallsend, part of British Shipbuilders, has won a £1.8m order to build two 250-tonne deadweight lighters for the Ministry of Defence for delivery next year.

Mr. J. W. Eckhard, a director of the company, said that an aviation-spirit lighter and a tank-cleaning lighter would provide about three months' work for the yard's 500 men.

The company is already building six lighters for the Royal Navy. Yesterday it launched the second of two purpose-built degaussing vessels for the Navy from the yard.

NEWS ANALYSIS—BBC REGRADING BY GARETH GRIFFITHS

Disputing the method, but not the need for reform

THE ROW over regrading of staff at the BBC, between the Corporation and its most powerful union, the Association of Broadcasting Staff, is paradoxically, over an issue both sides agree is due for reform.

The present grading structure covering about 10,000 staff has applied for 20 years. Its main aim has been to ensure fair internal comparability and fair treatment for staff, whether they work in an affluent or relatively hard-pressed part of the BBC.

In its terms of reference, as such, did not take account of external market forces or comparability with ITV.

The BBC unions involved—the ABS, covering half the Corporation's staff, National Union of Journalists, National Association of Theatrical, Television and Kine employees, the Electrical, Electronic, Telecommunication and Plumbing Trades Union, Society of Graphical and Allied Trades—have all accepted the need for change. The method of change is now the cause of dispute.

During the past 18 months, despite financial problems, the BBC's staff has increased by 1,200 to 27,890. Salaries until recently had become more competitive, thanks to a Central Arbitration Committee award in January.

Nearly all those jobs are covered by a grading system which is divided into five main groups: the top managerial, production and editorial (MP) grade (7,174 staff); the operations (OP) grade (7,120); the Administrative support (AS) grade (1,647); the clerical (CO) grade (584); and the secretarial and clerical (SC) grade (5,132).

There are eight separate divisions within each grade, special awards provisions, annual increment scales and earnings roofs.

The system is operated by a grading staff of about 30 people. The only people in the BBC outside the schemes are the top 50 management staff appointed directly by the Director-General, and, at the other end of the scale, cleaning and catering staff.

The BBC proposes to replace

this system with one allowing greater flexibility. The proposals mean setting up five structural bands, based on "job families," with broad salary ranges within each band.

Departmental heads would be allowed greater flexibility in making merit-pay awards. Market forces, particularly comparison with ITV rates of pay, would be given more importance.

The ABS is ready to agree to a change in the grading system, although Mr. Tony Hearn, ABS general secretary, says it will have a dramatic effect on negotiations at the BBC.

The ABS, which in effect started life as a BBC staff association, is much more sensitive to nuances in negotiation within the BBC compared to the other unions, which represent much smaller numbers and also have the vast majority of their members elsewhere.

The grading system, as planned would mean, for example, that on a TV programme a producer or director would be in grade band five, assistant producers, script-editors and production-unit managers in grade four, production assistants in grade three, research assistants in grade two and assistant floor managers in grade one. This compares with the much more rigid grading system existing.

The BBC started talks with the unions over a new grading system and put forward detailed proposals about a new system on October 15.

In a letter to the unions, Mr. Michael Bett, BBC Director of Personnel, said the present system was approaching total collapse. It had become distorted, either by expedient decisions by management, or union pressure, and by wayward arbitration.

The main thrust of Mr. Bett's argument to the unions was that the structure had now become a game of leap-frogging.

The number of current regrading claims was running at

more than 1,000 and the "continuous grading turmoil, with all its delays, tensions and temporary triumphs" had created instability which was damaging for morale.

Intensification of the row started with a letter from Mr. Bett to Mr. Hearn on November 2 informing the union that grading department resources would be switched, as from November 5, to development of the new system.

The BBC would stand by any firm offer of regrading which had been made already but outstanding regrading claims would, in effect, be frozen.

The ABS regards this freeze as unfair on members who were in the queue for regrading and who, it says, are being penalised.

The union says it is prepared for discussions on introducing the BBC proposals but only on condition the outstanding grading issues are dealt with. The BBC says this would take two years and the present action is being taken by people affected by the freeze.

The BBC freeze fed to the ABS withdrawing from regrading talks last Wednesday. Underlying the whole dispute is fear among the ABS that the BBC is slipping down the pay-scale, particularly against ITV, which recently settled its dispute with a 45 per cent two-year deal.

Mr. Jack Wilson, NATKE's general secretary and one of the union officials present at the regrading talks, said the pay issue at the BBC was "like sitting on a volcano."

Regrading is particularly relevant in this context because during pay policy it was seen by Corporation staff, as in effect, a way of evading pay policy.

The BBC is keen to get its new proposals into operation by April 1980 and plans to have details on jobs and pay relationships for all staff affected by the new system early in the New Year.

But BBC management and the ABS are still far apart on the issue, with other unions involved very much on the sidelines.

The new technology.

Burroughs "900" Series computers give you higher performance and lower cost through advanced technology.

Burroughs B 2930 (shown below) and B 3950 computers introduce entirely new levels of price-performance and flexibility. For the first-time computer user. And for experienced computer users with requirements for interactive processing, distributed processing and heavy-duty central processing work loads.

These new systems provide up to five times the throughput performance of our entry-level B 2800 in our "800" Series. Their main memory can be expanded to five times the maximum previous capacity. Yet they occupy half as much space. And they use 50 percent less power.

This increased performance and economy comes from the use of Burroughs entirely new "micro-modular concurrent" architecture, and advanced high-density logic and memory circuits.

This architecture is made up of independent elements that process data simultaneously. For optimum efficiency and a consistently high rate of throughput.

The B 2930 and B 3950 can have up to four central processors. And they are completely software-compatible with earlier Burroughs intermediate systems. No rewriting or reprogramming of existing application programs is required.

And remember, when you buy any Burroughs system you get the bonus of dealing with a total capability company with 90 years experience. And the security of knowing the whole Burroughs organization is behind you.

We call it "Total System Support." Hardware, system software, application programs, customer training, system maintenance—even the business forms and supplies you need.

Find out more. Phone your local Burroughs office or contact Burroughs Machines Limited, Department PRA, Heathrow House, Bath Road, Hounslow, Middlesex, England TW 9 9QL.

هكنا من الخويل

Record shipping losses last year

BY WILLIAM HALL, SHIPPING CORRESPONDENT

THE NUMBER of ships and the tonnage lost last year were the highest figures recorded in peacetime. The tonnage lost through shipwrecks reached its highest level since statistics were first collected in 1890.

According to figures released by Lloyd's Register of Shipping yesterday, 473 ships totalling 1,710,813 tons gross were lost by the world fleet last year. These figures are substantially above the previous record year in 1976 when 345 ships totalling 1,156,109 tons gross were lost.

The proportion of the world fleet lost was almost double that recorded in 1977. The wreck of the Amoco Cadiz (109,700 tons gross) on the coast of Brittany inflated the figures. It was the largest ship lost.

The 144 ships wrecked through stranding or striking rocks amounted to 681,795 tons gross (144 ships).

Tonnage lost through fire and collisions reached record of 85 ships totalling 586,367 tons gross—including ten tankers of over 10,000 tons gross. The largest ship lost was the Greek tanker Andros Patria of 99,460

SHIP CASUALTIES		
Year	No. of ships	Tonnage ('000 grt)
1974	311	670
1975	336	995
1976	345	1156
1977	336	1073
1978	473	1711

Source: Lloyd's Register of Shipping

tons gross. Last year 27 vessels caught fire while in port. The 56 ships lost after collisions amounted to 140,036 tons gross. At least 14 of these collided in bad weather or fog.

Of the rest, 169 ships (258,585 tons gross) foundered and nine (14,734 tons gross) went missing.

Tankers made up 41 per cent of the ships lost, and bulk carriers 11 per cent. A total of 286 general cargo ships were lost.

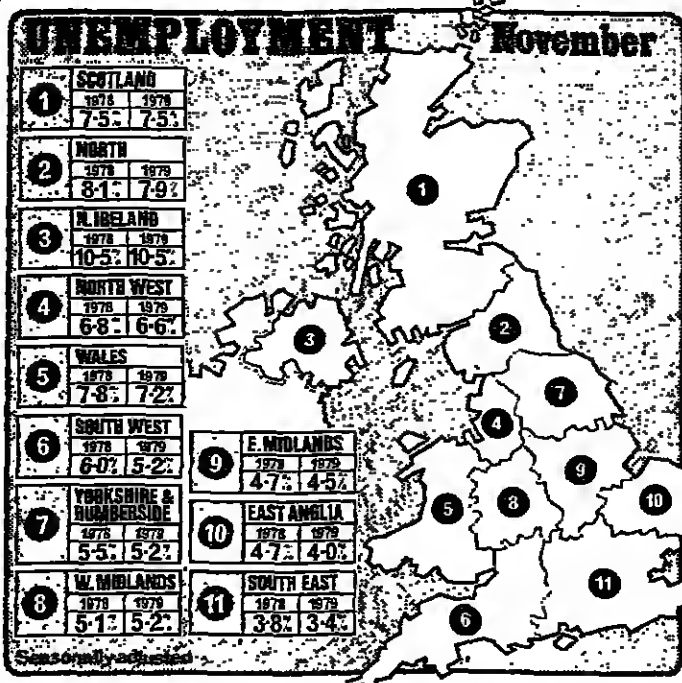
Greece suffered the highest casualty rate, 87 ships of 782,291 tons gross—nearly half the total tonnage lost. In percentage terms, 2.3 per cent of the Greek fleet was lost—four times the average Greek losses

in the previous four years. The next most accident-prone were Panamanian ships, followed by vessels from Germany, Singapore and Liberia in descending order of importance.

The number of ships of more than 10,000 tons gross lost also jumped sharply last year—36 vessels compared with 23 in the previous year. Of all ships lost, 5 per cent were less than five years old.

The tonnage which went to the scrapyard last year also reached a new record—1,078 ships totalling 10.1m tons gross were broken up in 1978. More than 50 per cent above the previous record figure. The bulk of the ships being broken up went to Taiwanese breakers (6.0m tons gross) followed by Spain (1.1m tons gross) and South Korea (0.8m tons gross).

The Liberian Bureau of Maritime Affairs has launched a formal investigation into the collision of the bulk carrier Minosa and the tanker Burmah Agate in the Gulf of Mexico on November 1. The tanker sank, and the bulk carrier was a virtual total loss—32 people died.



Adult unemployment in the UK has fallen by 49,700, or 2.3 per cent, in the last 12 months but there has been a marked widening of regional differences. The number of people out of work in south-east England has dropped by just over a tenth. But in contrast the total has risen slightly in both Scotland and the west Midlands, and the decline has been only marginal in northern England and the east Midlands. Another striking feature of the last year has been the re-emergence of big differences in unemployment between men and women. The number of men out of work has dropped by nearly 6 per cent, while female unemployment has risen by 1.6 per cent.

'Sex with alcohol' adverts banned

ADVERTISING claims that a drink may encourage sexual success and advertisements may no longer imply that a drink can improve physical performance.

The crackdown was announced by the Incorporated Society of British Advertisers and welcomed by the Department of Health.

The ISBA's revised code of practice lays down that "advertising must be socially responsible," and that: "The immature, the young, the socially insecure or those with physical, mental, or social incapacity should not be the targets of alcohol advertising."

The new rules state that advertisements should neither be directed at young people nor in any way encourage them to start drinking. Any-one shown drinking must be—and appear to be—over 21.

Advertisements should not be based on a dare, nor impute any falling to those who do not accept the challenge of a particular drink.

They should not emphasise the stimulant, sedative or tranquillising effect of any drink, and they "should neither claim nor suggest that any drink can contribute towards sexual success, or make the drinker more attractive to the opposite sex."

Portrayal of repeated buying of large rounds, and excessive consumption, is forbidden.

The code states that moderate drinking is widely enjoyed and helps to make social occasions cheerful and pleasant.

Warning against pension change

BY ERIC SHORT

THE GOVERNMENT should resist the temptation to switch the funded sections of the public sector pension scheme to a pay-as-you-go system, Mr. Derek Bandy, president of the Society of Pension Consultants, said last night in London at the biennial dinner of the Society.

Although he welcomed the Government's intention to reduce public spending, Mr. Bandy considered there was a danger in applying this to pensions. He said with a non-funded benefit which could not be afforded yet the amortisation cost had only an indirect consequence on the current financial position.

He considered there was no better financial discipline than immediately meeting the cost of providing pension benefits. Switching to a non-funded basis would, he felt, remove effective control over the containment of costs in the public sector pensions field.

Mr. Bandy said there was no easy solution to the problems of maintaining the real value of pensions and in preserving full pension rights on change of jobs. People had a right to expect their pensions would maintain their purchasing power in retirement.

But pension provision was part of the overall costs of employment and the resources of employers were finite. Deployment of available resources in one aspect of employment would diminish their availability in other aspects.

Mr. Bandy referred to the recent introduction of a code of conduct by the society, which would be binding on member companies. This set out rules guiding members in dealings with clients, with the Press and other media, and the general public. The code aimed at maintaining high standards of professional behaviour.

Computer producers call for stronger copyright

BY JOHN LLOYD

THE INCREASINGLY vexed question of copyright protection for computer software has been raised by an action taken by Safe Computing, a Chubb Group subsidiary, which has been settled out of court.

The action was started in May by Safe against a former employee and against a company, of which he was a director.

It arose because Factory Management Systems had started to market a production control package which bore similarities to Safe's own system.

Management Systems gave a written acknowledgement that parts of its production control system infringed Safe's copyright and made use of confidential information.

The action comes amid growing pressure from software houses, both in Europe and in the U.S., for greater protection under copyright law.

Software producers now argue that the law must be amended to take into account the special circumstances of computer programmes if they are to enjoy the same protection as other publishers.

Forum launched to preserve supplies of raw materials

BY PAUL CHEESERIGHT

PROFESSIONAL BODIES connected with minerals extraction and usage have set up a materials forum because of worries about the availability of essential materials for industry. The materials forum wants to provoke the same degree of national concern about materials as there is about energy supplies.

The forum was launched yesterday by Professor Sir Hugh Ford, president of the Institution of Mechanical Engineers, speaking at a symposium in

London organised by the Institution of Mining and Metallurgy on the availability of strategic minerals.

But any hopes of the Government immediately intervening to secure the long-term supply of minerals was checked by Mr. Michael Marshall, Under Secretary for Industry. While conceding the importance of the issue, he would say only that the question was under review. There is no apparent time limit on the review.

In fact, officials have defined a broad policy to guard against supply interruptions and shortages caused by political difficulties and lack of investment. It has been awaiting political decision since before the last election.

It embraces incentives to diversify overseas sources of mineral supply, the development of domestic resources, stockpiling, reclamation, recycling and substitution.

"It would be valuable if the present Government gave equal concern to the availability of raw materials as to energy," Sir Hugh said.

The Materials Forum is de-

signed to act as a focal point for providing information to those making policy and taking decisions.

Funded by industry, the Forum is the result of a joint initiative by four professional bodies—the Institution of Mining and Metallurgy, the Institution of Metallurgists, the Metals Society and the Institution of Mechanical Engineers.

This ensures that its activity will not be solely concerned with minerals extraction, but will embrace processing and usage relating to the whole to the cost of energy involved. "We have to go

Two new Japanese cars go on sale today

TWO NEW Japanese cars go on sale in the UK today, including a four-door, four-wheel-drive, popular saloon.

The two cars are the Subaru 1600 GLF five-speed saloon and the 1600 four-wheel-drive, which shares the same new body but which is modified for tougher driving conditions.

Subaru is the sixth largest

Japanese motor manufacturer and started selling vehicles in the UK two years ago.

By the end of the year the company, a subsidiary of Fuji Heavy Industries, will have sold about 4,000 cars in the UK. Models already sold in the UK are the Subaru 1600 four-wheel-drive estate and the 1600 four-wheel-drive pick-up.

Cadmium tests on children

HIGHER THAN normal levels of the poison cadmium have been found in teeth from children in Shipham, Somerset, some part of which were found to be heavily contaminated with the metal. "The concentration was on average one-third higher than that found in Bristol children.

The war that never ends

We British are a peaceful people. When a war is over we like to consign it to the history books—and forget it. But for some the wars live on. The disabled from both World Wars and from lesser campaigns, now all too easily forgotten; the widows, the orphans and the children—for them their war lives on, every day and all day. In many cases, of course, there is help from a pension. But there is a limit to what any Government Department can do. This is where Army Benevolence steps in. With understanding. With a sense of urgency... and with practical, financial help. To us it is a privilege to help these brave men—and women, too. Please will you help us to do more? We must not let our soldiers down.

The Army Benevolent Fund
for soldiers, ex-soldiers and their families in distress
Dept. FT, Duke of York's HQ, London SW3 4SP

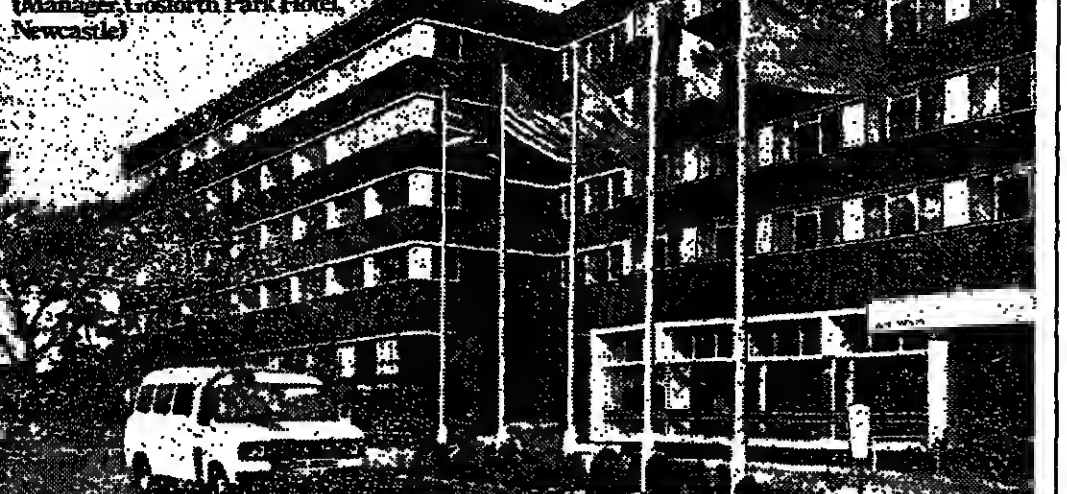
LET YOUR BUSINESS GROW IN INDUSTRIAL CUMBRIA



For all contact: Industrial Promotion Officer, Cumbria County Council, Warwick Road, Carlisle, Cumbria CA1 1DZ. Telephone: Carlisle (0228) 23456.



"There's no faster way to build"



A major bedroom and conference room extension was completed at this luxury 4-star hotel in just over a year in spite of one of the worst winters on record. This was made possible by the Conder Kingsworthy method of building.

OFFICES, HOSPITALS, SCHOOLS, ETC. HAVE ALSO BEEN BUILT IN HALF THE NORMAL TIME USING KINGSWORTHY.

If you want quality buildings in double quick time—and to budget, contact T. K. Holder, Conder International Limited, Winchester, Hampshire. Telephone (0962) 882222. Telex 47465.

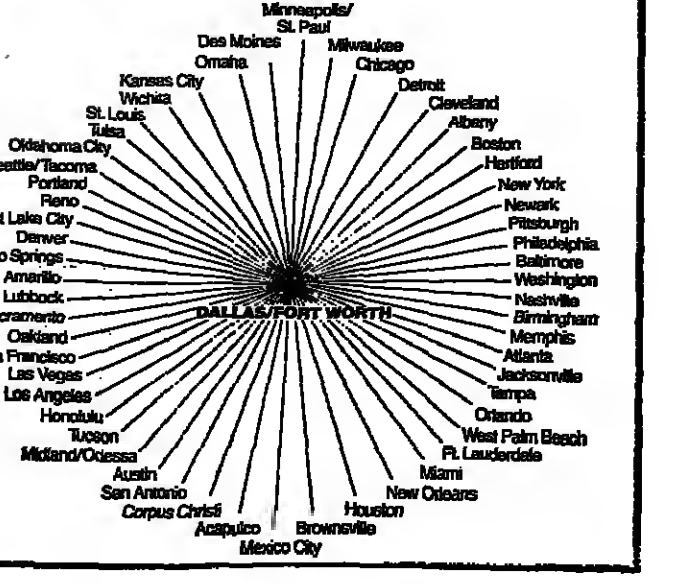
CONDER
World leaders in steel-framed buildings

We're Braniff. We're faster to America's Big Country.

WE ALSO OFFER CONNECTIONS TO 57 US CITIES. Take our 'Big Orange' 747 non-stop to Dallas/Fort Worth—the newest and nearest gateway for the Southern, South Western and Western USA and Mexico. Then connect to one of our Boeing 727 flights from the same terminal at which your transatlantic flight arrives.

CONCORDE SERVICE TO DALLAS/FORT WORTH This service is available every Tuesday, Thursday and Saturday. It is operated in co-operation with British Airways via Washington DC.

For information and reservations call your travel agent or 01-491 4631.



Shell improves offer to tanker drivers

BY NICK GARNETT, LABOUR STAFF

SHELL improved its pay offer for tanker drivers and distribution manual workers yesterday between 22 and 23 per cent over a full year.

The principal oil companies have already made their first offers to the Transport and General Workers Union for their drivers.

Most of these have been in line with the original 20 per cent proposals made by Shell, the company first in the negotiating round.

Shell's drivers rejected those proposals following a recommendation from negotiators.

The company has not improved its basic rate offer, which would lift present rates and overtime earnings by 18 per cent. The basic would rise from £78 to £92. It is also keeping to its original proposals on improvements in conditions, estimated to be worth a further 2 per cent.

In the claim, union negotiators had been seeking a retrospective payment of 6 per cent, backdated to July. This would be in line with payments made by Petrofina and Mobil earlier this year.

Shell, in its latest proposals

has responded to that part of the claim by now offering a £150 lump sum on the understanding that a settlement is reached by the beginning of December.

It is reserving the right to withdraw the £150 offer, estimated to be worth more than 2 per cent over one year though not consolidated, if the proposals are not accepted by the union.

The company said yesterday that its response was very reasonable and hoped it would form the basis for "real" productivity talks with the union.

Furnace workers' claim rebuffed

By Philip Bassett, Labour Staff

BRITISH STEEL yesterday rebuffed the third of its major annual pay claims: when leaders of 14,000 blastfurnace workers were told to reconsider a 25 per cent claim the moment it was tabled.

The Corporation has already given similar responses to claims for substantial increases tabled by the Iron and Steel Trades Confederation, the biggest union in the industry, and by a committee representing 41,000 craftsmen. The increases claimed were estimated by BSC to be worth 20 and 25 per cent respectively.

Leaders of the National Union of Blastfurnacemen met BSC officials yesterday to put their claim for pay increases of 25 per cent for both manual and staff grades, based on rises in the cost of living and restraints imposed during the years of the last government's pay policy.

The manual claim, which will be examined again in a meeting with BSC on December 4, also called for reduced working hours, early retirement, additional holidays and other improvements. The staff claim to be discussed again on December 12, also called for the consolidation of a 5 per cent supplement and improved meal breaks.

Mr. Peter Bloxham, BSC director of industrial relations, asked the union to rethink the size of the claim in the light of the Corporation's ability to pay.

The firm reaction to all three of the industry's major annual pay claims is an indication of the Corporation's determination to meet the Government's requirement that BSC breaks even by the end of the financial year. Steelworkers at Corby will hold a mass meeting today on whether to take industrial action over the Corporation's decision to end iron and steel-making at the plant by March next year.

The ISTC has recommended a national campaign of action against the decision which has been supported by the craftsmen but is unlikely to be supported by the blastfurnacemen and will not be supported by members of the General and Municipal Workers' Union.

New offer from BOC

BOC said yesterday that it expected to have an early meeting with union negotiators representing drivers and cylinder handlers in its gas division who are operating a work to rule and overtime ban in a pay dispute.

The company is prepared to make a new offer over 12 months or longer which would be worth about 20 per cent. Its present offer—over eight months—is worth 13½ per cent.

Prior seeks 'sense of reality' in wage talks

BY CHRISTIAN TYLER, LABOUR EDITOR

EMPLOYERS WERE urged yesterday to support the Government's aim of restoring a "sense of economic reality" to pay negotiations by increasing their employee involvement.

Mr. James Prior, Employment Secretary, coupled his words with a severe warning of the consequences of paying too much in wages.

Those who thought they could get away with the consequences of big wage rises were running "a very big risk that it will backfire—and not just on the weakest," he said.

He was speaking on the first day of a two-day Financial Times conference on industrial relations in the 1980s, at Grosvenor House in London.

He said there must be informed exchanges about the total needs of a company at the collective bargaining table. For its part, the Government would fight the battle against inflation as a top priority. "We shall not relent in our efforts to squeeze inflation out of the system."

He said employee involvement was not a substitute for collective bargaining, "to be pursued with some unrealistic idea of removing all conflict of interests in industry."

There were legitimate differences of interest in pay, but employee involvement should recognise the common interests. Mr. Prior did not subscribe to the view that the country needed weaker trade unions. "We need unions which are strong enough to pursue consistent and responsible policies on behalf of their members."

He defended his proposed labour law reforms as consistent with Britain's voluntary tradition. The Government was only stepping into the arena to deal with specific abuses. Company concern at the present wage bargaining climate was voiced by Mr. Pat Lowry, director of personnel and external affairs at BL. He said wage claims would have been high this year even without the Budget and the change of Government as unions tried to rectify anomalies or alleged anomalies.

He urged companies to spend less time "howling in anguish about exorbitant demands" and to spend more time spelling out

the "cold and sometimes brutal economic fights that we face." Far too many companies, he said, would use the new freedom from incomes policy to negotiate pay settlements which they could not afford in the mistaken belief that they could somehow dodge the facts of life.

On a more optimistic note he said that there had never been a better time genuinely to relate pay to improvements in productivity. Productivity deals had been given a bad name by the way in which they were used to circumvent incomes policies.

On industrial law, he said the proposals to limit picketing would, of all the reforms, have the greatest impact on industrial life.

He thought unions were unlikely to take advantage of public money to conduct secret ballots, but such ballots had a vital part to play and appeared to be on the increase.

Lord McCarty, Fellow of Nuffield College and the Oxford Centre for Management Studies, mounted a vigorous defence of incomes policies.

He thought the Government had missed its opportunity to couple its money supply targets with some general advice about what levels of pay settlements were consistent with them. The concept of the "going rate" was inevitable and governments should try to influence that rate. Incomes policies only worked when they were not trying to be too ambitious.

The present round would see much of what he called the force of coercive comparability, alongside a rising going rate.

Lord McCarty set out the advantages of a body like the present Clegg Commission in providing professional analysis of relative pay rates for similar jobs, and said he hoped the commission would be retained.

It had been useful to both recent Governments, had chosen the right basis of comparison, but was not being used for the right way. It was being used for solving disputes. He said it was likely that comparability, however rigorous, would give substantial rates of increase to public sector groups, particularly at the top end.



A pensive Pat Lowry of BL at the conference.

Pay round has characteristics of 'certified madness'—Methven

BY OUR LABOUR EDITOR

THE PRESENT pay round showed "all the characteristics of certified madness," Sir John Methven, Director General of the CBI, told the conference.

A recent private opinion poll showed that 50 per cent of workers were looking for increases of between 14 and 25 per cent, and the vast majority thought companies could afford that.

He said many firms, faced with the crippling consequences of strike action, felt unable to resist.

At the same time, the notion of a high going rate had

slipped into usage and anything less was seen by workers as a victory for the employer.

Sir John said that the CBI had asked for more freedom and for responsibility for putting its own house in order. He said the main work should be done at grass roots level, by companies explaining to their unions what they could afford to pay.

It was not just a matter of a new approach between Government, the TUC and CBI sitting round the table. An economic forum linked to Parliament as suggested by the CBI had a part to play but

was not a substitute for action by firms themselves.

He said far too much attention was paid to things like the complexity of the Government, the going rate, and comparability and far too little to companies' ability to pay. "Much of the responsibility for that lies at our own door. Far too little has been done by managers and employers themselves, with the result that employees have remained ignorant of the prospects of their firms." There was evidence that workers' pay expectations could be changed by disclosure of information, he said.

His paper argued that trade union power had become increasingly great and the strength of the market economy had diminished. He said he thought the difficulties framing the law could be overcome if unions would cooperate with the Government and work within the law.

He said the Government's recipe for strengthening employers was only likely to work in the long run and recent examples of conflict at Times Newspapers and in the engineering industry were not encouraging.



Conflicts likely on legal meanings

LORD WEDDERBURN of Chertsey, Counsel Professor of Commercial Law at the London School of Economics, outlined the history of trade union immunity from civil prosecution at the conference.

He said the Government's proposals on trade union immunity, "on secondary picketing" and on the closed shop, went much further than their own working papers would suggest.

Lord Wedderburn outlined a number of ways in which, he said, industrial cases could become entangled in conflicting arguments about the meaning of the law.

"My colleagues, and solicitors too, are quivering with anticipatory pleasure at the prospect of fees to come," he said.

Lord Wedderburn said the Government's proposal to remove unions' immunity from prosecution for breach of commercial contract was bound to restrict the so-called "right to strike." The whole purpose of industrial action was to put pressure on the employer by impeding his business.

Even if companies decided not to use the new laws, their customers and suppliers could well do so.

The picketing proposals threw up a host of difficulties about how to distinguish "licensed" from "unlicensed" pickets, as well as the problem of defining a man's place of work for statutory purposes.

The conflicting views of another academic, Professor Ben Roberts, Professor of Industrial Relations at the ILS, were read to the conference by the chairman, Professor Sir John Wood. Prof. Roberts was unable to attend through illness.

His paper argued that trade union power had become increasingly great and the strength of the market economy had diminished. He said he thought the difficulties framing the law could be overcome if unions would cooperate with the Government and work within the law.

He said the Government's recipe for strengthening employers was only likely to work in the long run and recent examples of conflict at Times Newspapers and in the engineering industry were not encouraging.

Lloyds staff to quit banking union talks

BY NICK GARNETT, LABOUR STAFF

NEGOTIATIONS ON the formation of a new union for the banking and insurance industry stumbled into a further crisis yesterday when one of the clearing bank staff associations announced that it was proposing to withdraw.

The executive committee of the Lloyds Bank Group Staff Association decided to recommend to its policy-making general council that it should drop out of the inquiry into the formation of the union.

Mr. John Bealey, the association's general secretary, said last night that the general council, made up of 57 lay members, would probably meet within two weeks.

The decision of the staff association executive casts further doubt on whether the English clearing banks and their staff

representative bodies can sort out the chaotic state of negotiating machinery in the banks.

The inquiry, set up under Dr. Tom Johnston, chairman of the Scottish Manpower Services Committee, has resulted in two detailed reports proposing the creation of a three-tier union structure from the staff associations at Lloyds, Barclays and National Westminster together with the Banking, Insurance and Finance Union.

The decision of the Lloyds staff association executive follows the latest Johnston inquiry meeting last week. At that meeting, BIFU again proposed working parties into what it believes to be a series of issues still unresolved from the report.

It also said that it would

recommend to a special conference that it should return to joint negotiating machinery with the staff associations—once draft constitutions for the top two tiers of the new union structure have been agreed.

A statement from the Lloyds staff association says that in view of BIFU's "inability" to accept the second Johnston report as a package deal it is recommending withdrawal from the Johnston inquiry.

Mr. Bealey said the staff association had done everything it could to promote one staff body. It is calling for an emergency meeting of the national executive committee of the Confederation of Bank Staff Associations, and staff association umbrella body.

Dockers will not handle U.S. coal

MR. EMLYN WILLIAMS, the South Wales miners' president, yesterday persuaded dockers at Newport, Gwent, to black a cargo of U.S. coking coal destined for the British Steel Corporation's Llanwern works.

The action is in protest at BSC's decision to import more coking coal, at the expense of domestically produced supplies, which the National Coal Board has warned could eventually result in the closure of up to six South Wales collieries and the loss of some 4,500 jobs in the Welsh coalfield.

Following an impassioned plea from Mr. Williams, the Trans-

port and General Workers' Union's 280 registered dockers at Newport agreed not to handle the 18,000 tonnes shipment aboard the Maria Lemos, which is due to arrive in about two weeks' time.

Mr. Cliff Thomas, the local transport union official, said the men obviously had reservations.

"But the miners were recognised we have our own special problems and they have assured us they will act in complete concert to ensure no one suffers as the result of any action."

The South Wales miners' campaign against coal imports was triggered by a BSC plan to

import an extra 300,000 tonnes of coking coal into South Wales between now and next March.

This is in addition to 700,000 tonnes from the U.S. and Australia under regular contract. BSC has indicated it is prepared to more than double its coking coal imports to between 5m and 6m tonnes because imported supplies are currently around £10 a tonne cheaper than NCB coking coal. South Wales, with some 80 per cent of the UK's coking coal reserves, stands to be most drastically affected.

The controversy is expected to loom large at today's Welsh Grand Committee debate on the Welsh economy.

Passport office staff walk out

BY OUR LABOUR STAFF

PASSPORT OFFICE clerical staff walked out yesterday in protest at a downgrading by the Foreign Office of about 200 staff. Between 80 and 100 passport office staff in Liverpool, members of the Civil and Public Services Association, walked out after failing to get talks with local management over the downgrading. Members in Bel-

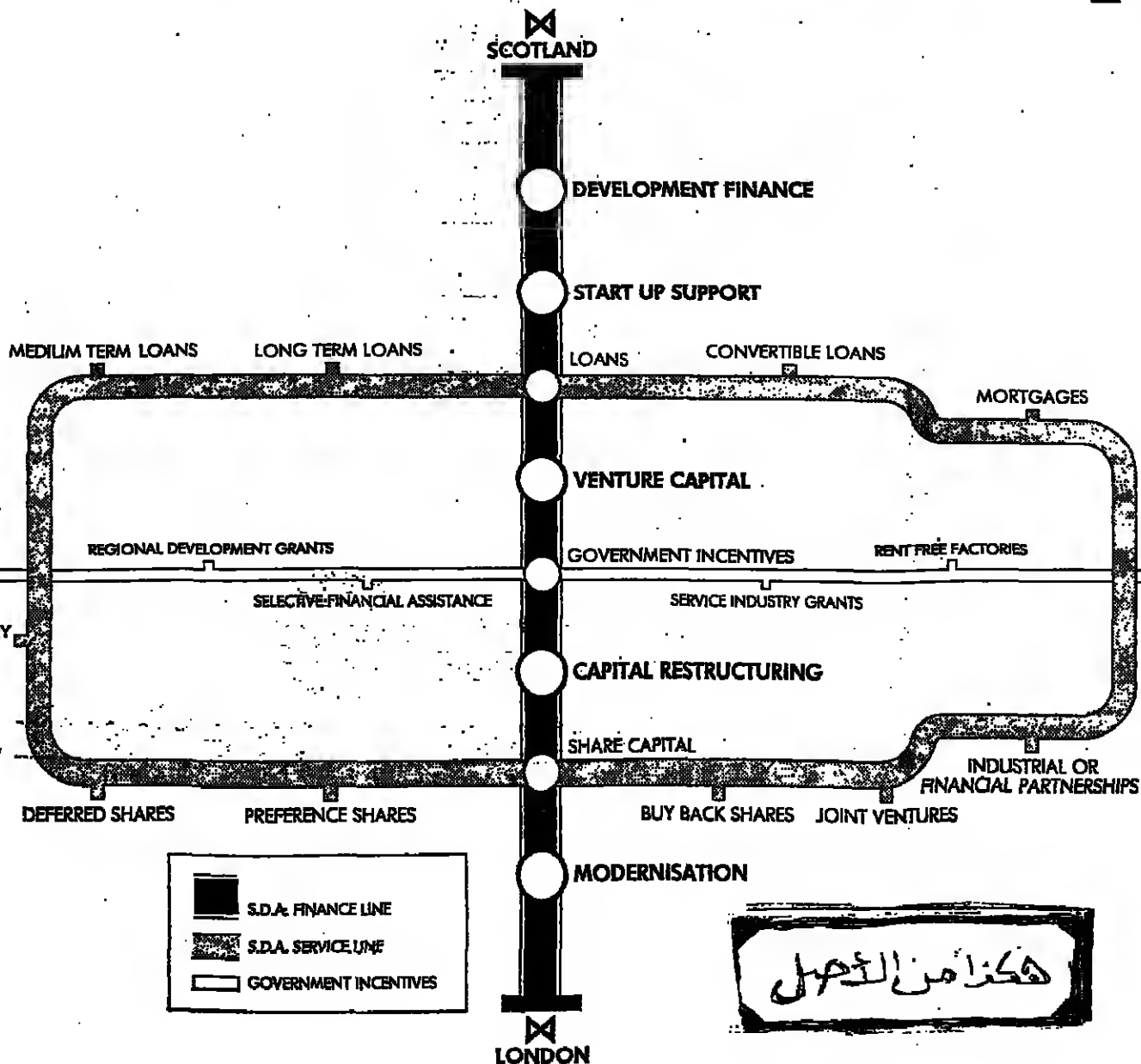
fast also took action, and members in offices in Glasgow and Peterborough staged demonstrations.

CPSA and Society of Civil and Public Servants staff also staged an hour-long walkout when Mrs. Lynda Chalker, Social Security Minister, visited a Department of Health and Social Security office in Glasgow.

The unions said the walk-out was in protest at cuts in Civil Service manpower costs, which are now being considered by the Cabinet, and at suspensions of staff at other DHSS offices and the National Savings office in Glasgow.

Mrs. Chalker said the only people harmed when staff walked out were families

Take the direct line to profit in Scotland



Now there's a direct route to profitable industrial growth in Scotland.

It's the direct line through the Scottish Development Agency—a new source of finance for industrial projects.

No matter where you're based—in Scotland and wishing to expand, or thinking of Scotland as a manufacturing base, the SDA can meet your capital requirements.

Set up to stimulate Scotland's industrial development and to create opportunities for growth, the SDA can deal with all enquiries and information on industrial investment.

If your business is set for expansion, the SDA can bridge some of the gaps in the availability of money that other sources do not always meet.

For example, the SDA is one of the few sources of venture capital, putting equity and loan finance behind new products and advanced technology. Or it may be money to help develop the next stage of your company, to improve your capital structure—or modernise your plant.

All this, plus government incentives, could be very profitable for you. Just match our criteria and you could be in business.

When we say money isn't everything, we mean it. We have other help available to set you on the right track. Advice and assistance for businesses large and small, new project evaluation, marketing, production and financial management. We can provide a factory on site or purpose built to your needs.

Just take the SDA line to Scotland.

The express way to profit.

Head Office, 120 Bothwell Street, Glasgow G2 7JP
Tel: 041-248 2700 Tele: 777600
London Office, 17/19 Cockspur Street, London SW1Y 5EL
Tel: 01-839 2117/8

EXPORTING COMPETITIVELY.

Why talk to us when most banks seem to offer the same export service?

Because we believe you will find:

1. Our fee structures are highly competitive and often more flexible.
2. Our comprehensive services cover all aspects of exporting including the largest projects.
3. Our front-end financing is often more imaginative.
4. We have considerable experience, over 20 years, of working with E.C.G.D.
5. Our commercial loan documentation is often simpler and more concise.
6. Our decisions are fast.

We deliver.



Test us.

Midland Bank International

Midland Bank Limited, International Division, 60 Gracechurch Street, London, EC3P 3BN. Tel: 01-606 9944. Telex: 888401.



And remember—we deliver a range of international services no other bank can offer.

Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

INSTRUMENTS

Colour matching

PHOTOMARKER colour analysis instruments are suitable for evaluating specimens in stationary, on-line or in-process modes for many industries.

Automotive interiors/exteriors, plastic resins or mouldings, parts coatings, foodstuffs, inks, pigments, graphic arts can all benefit.

PM-300 is for shade and colour matching, used as a routine tool in any working environment by production or quality control personnel. A lightweight portable sensing head can be used under any lighting conditions. A push-button is used to record the reference colour measurements as a standard.

PM-400 is claimed to be the first fully automatic, portable colorimeter that provides accurate and rapid data printout in a variety of measurement scales. This allows the evaluation of field or remote colour problems with the same accuracy as laboratory equipment.

An optional sensor, weighing 1kg and measuring samples as small as 2 cm can be stored in a compartment of the portable unit which weighs 8 kgs.

The hand held sensor can

measure external or remote specimens at distances up to three metres, and record data under any varied light or climate conditions. A self-contained data printer provides instantaneous alpha-numeric, coded, permanent records.

Engelmann and Buckingham Ancillaries, William Curtis House, Alton, Hants. GU34 1EH (0420) 82421.

Disposable dust mask

OFFERING PROTECTION against dangerous particles and nuisance dusts is a disposable dust mask produced by Martindale Protection, member of Blagden and Noakes group, Neasden Lane, London NW10 (01-460 8581).

Moulded shape of the mask leaves the nostrils and mouth clear of physical contact with the mask itself and dispenses with the inconvenience of a nose clip because it is held in place by an elastic band round the head. Resilience of the mask enables it to retain its shape even after being crumpled.

Recommended price is 16p each, and they are sold in sleeves of 50 and boxes of 300.

DATA PROCESSING

Programmed in plain English

MACHINES THAT can be programmed in plain English by the businessman or his aides are being reported on this page at a sharply increasing rate and it has now become evident that the giant Unilever concern sees this as the kind of product that is destined to capture the considerable small/medium machine market consisting of companies (or perhaps parts of companies) employing up to a few hundred people.

However, it has been determined to find a system that makes no use whatsoever of computer terminology or technical jargon so far as the user is concerned.

Through its office equipment distribution chain BEAM (Business Equipment and Methods), headquartered in Manchester, Unilever is now forcefully attacking this market through several U.K. outlets, with plans for all 50 in due course. First shots have been fired at Cheltenham, and a centre is planned for London.

Recently the company undertook a considerable market survey of available "program it yourself" products, examining some 50 offerings, and settled upon a VDU/keyboard/micro-floppy disc system called TINA made by Logical Machine Corporation of California.

Most of those attending a recent launch in London were both sceptical and uneasy about sitting down to compile a program, but when it became evident that the words used to communicate with the unit were no more than ordinary English nouns and verbs, with replies to the user in properly

composed English sentences, opinion changed. Basic actions of the machine are described by some 40 verbs contained permanently on the vocabulary floppy disc, such as "get", "begin", "delete", "exchange", "add", "save" and so on. Used in conjunction are nouns describing storage files and sections thereof; in a business these might describe product characteristics such as name, size, colour, price and so on. There is no limit and the user can enter his own nouns to suit his activities.

He can then proceed to manipulate data and build up files to get the results he wants, ranging from accounts to production scheduling. Complicated verbs can be invented based on sequential use of the standard verbs.

Whatever is already in the machine (including the basic verbs and nouns) can be recalled on the screen to keep the user informed (or simply refresh his memory) at the touch of a few keys.

At each move, the user is either told what to do next by means of English remarks on the screen, or is asked what he wants to do in the way of adding new data or looking at that already on the data disc. If he forgets a file title, the machine will list them all immediately.

A printer will reproduce what is on the screen and can also produce reports as defined by the user.

Response time of the unit in demonstration was never more than a couple of seconds. However, limitations of use can

result if the user is involved in a large number of customers with very long files; BEAM will advise on this. TINA has one disc for the vocabulary and another for data, each holding 1.35 megabytes.

BEAM believes that the machine completely wipes out the prospect, at or after machine sale time, of a confrontation between the business expert-user on the one hand and the computer expert-vendor on the other.

Price is about £11,500, to include a short training period. BEAM is at 129 Deansgate, Manchester M3 3WL (061 831 7292). GEOFFREY CHARLISH

MATERIALS

Will supply small quantities

COMPANIES SEEKING quite small amounts of plastics moulding materials may find difficulty in obtaining supplies.

Northern Industrial Plastics reckons it can fill the breach — it offers to supply quantities ranging from 25 kg to 20 tons. Materials available include nylons, acetal resins, polycarbonate, ABS, polypropylene, polyurethane and so on. Delivery in about three days is promised.

The company operates from Pine Warehouse, Sherwood Street, Oldham, Yorks OL1 2NP (061-624 9479).

HEATING

Flame remains stable

DUAL-FUEL burners for high outputs will operate on oil, gas or combinations of the two with total flame stability, according to its designers, CEA Combustion.

Stability of the Series 6000 Axido is maintained over a turndown range of 6 to 1 and is achieved by a design which provides enough of a stand-off (gap) between the atomiser that the flame does not touch and damage the brickwork. The steam atomiser has a skewed jet and eliminates the need for a swirler.

Fouling is sharply reduced as are coking or carbonisation of the atomiser. A central gas atomiser per-

mits suspended flame combustion in which the flame characteristics are similar to that of the oil flame.

This combination of concentric fired oil and concentric peripheral fired gas gives stability at any ratio of gas/oil mixture. There is no need for a permanent pilot to sustain ignition.

Emission of carbon monoxide and oxides of nitrogen are low and combustion is efficient, the burner being factory set to achieve this under all conditions.

CEA Combustion, Portsmouth, Hants PH6 9RD. Casham 70111.

TEXTILES

New twist to a yarn

MOST TEXTURED filament synthetic yarn is processed through either a pin-twister false-twist machine or by means of so-called friction twisting in which the yarn is held against a rotating high-friction surface and so given a very high degree of twist.

Over recent years there has been a decided movement to process POY—partially oriented yarns—on these machines and not only texture them, but in the same sequence draw them and give them strength and fineness.

A completely new approach to draw texturing has been applied on a commercial machine in Japan. It is being offered as a more versatile process than the conventional fric-

tion twisting and pin twisting.

It is a technique described as "rip twisting". Instead of using the old techniques of using two diagonally-opposed belts pressing against each other, the yarn passes through the nip created where the belts are in contact. In this way a very positive twist may be inserted, but the technique also offers the processor a wide range of variations by adjusting either the throughput rate of the yarn or the speed at which the two belts are moving.

The 335 II Mach Crimper is built by Murata Machinery. (British agent: Meecham International Sales, Thorpe House, Donhead, Shaftesbury, Dorset, Tel. 0747 88230.) A full machine has 216 spindles with a pitch of 120 mm. The rip-twist system is able to impart either all "S" or "Z" twist or alternate spindles may impart S or Z twist, while the yarn processing speed can reach as high as 1,000 metres/minute.

As with most modern processing machines it has a primary heater to set the twist in the yarn initially and there is a secondary heater which reduces the stretch potential of the processed yarn.

ENERGY

Less power needed

POWER IS being needlessly wasted according to the Wellman Bibby Company in many installations where an electric motor is driving a load on an intermittent basis.

This is because if the motor itself is never switched off, even on light load, it is still taking current—no good purpose.

Basic objection to switching the motor off in the case, say, of a compressor which is supplying an air receiver, is that in most cases the motor would be started at frequent intervals on full load, with consequent overheating due to repeated large current pulses.

In the majority of installations the motor driving the compressor runs off load until the air receiver pressure drops below the required value, at which point the motor comes on load as the compressor cuts in.

But by installing a powder coupling, claims the company, the motor would start off load with gradual build-up to 100 per cent and no high start current to cause eventual overheating.

Test carried out by the company on a 25 hp squirrel cage motor which took 30 A on load and 18 A off showed that in a 40 hour operating week the total saving was 345 kWh (18 A for about 27 hours). This represents over 17,000 kWh saved over the year, which the company says represents some four tonnes of fuel oil.

It claims that in this instance the cost of the coupling and installation "payback" was amortised in a few months.

In many cases it is believed that even greater savings could be made because the "off" periods are frequently much longer than the "on" ratios up to 7 to 1 being not uncommon.

Other work conducted by the company has shown that it pays to give attention to air line maintenance: air leaked at pressure is energy wasted.

More from Mill Street West, Dewsbury, West Yorks (0924 466501).

AUTOMATION

Laser marks the product

PROGRAMMED marking of manufactured products on an assembly line using a laser beam can be performed at speeds up to 100 characters/sec using an equipment made in California by Quantrad and available in the UK from Walmore Electronics.

The machine, which can be set up for use on a work table for batch production or be gantry mounted on a conveyor belt, uses a 100 watt solid state laser to write alpha-numeric characters, logotypes or other graphics which have been previously programmed into the machine's memory using keyboard and display screen. Markings such as serial numbers are automatically incremented.

Driven by a microprocessor, the equipment has only two moving parts—a pair of prisms which are rapidly shifted to produce motions of the beam in x and y axes at rates up to 5 kHz. Characters can be written in dot matrix form, or by continuous beam sweeping, in sizes from 0.02 to 0.5 in.

Programming is performed

Atlas Copco compressed air systems.
A force you can turn into profit.

ATLAS COPCO
Air Systems Technology for Generators to Coma

COMPONENTS

Television data board

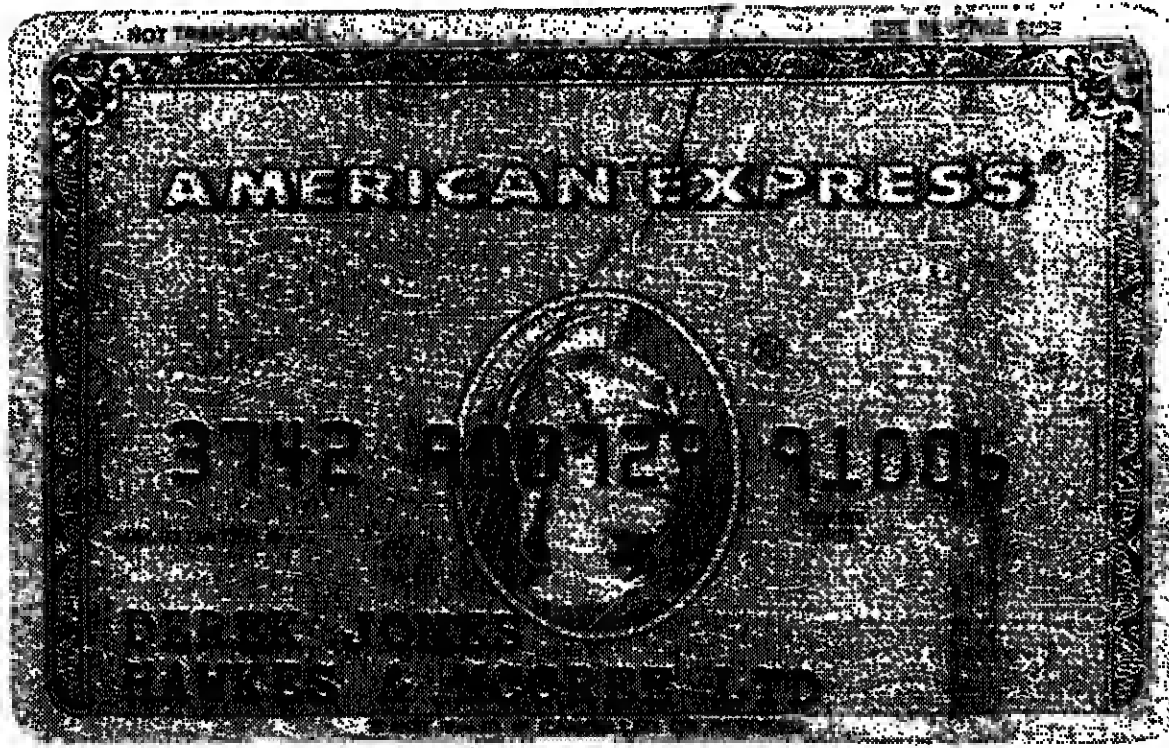
ALL THE necessary circuits and components for the reception of both teletext and viewdata are contained on a printed board measuring 6 x 4 inches that can be incorporated into a standard television receiver.

Made by General Instruments Microelectronics the system is to be known as Televue and is described by the company as being sufficiently cost effective to attract manufacturers of add-on equipment as well as the television set makers once quantity production levels have been reached. Significant performance advantages over existing dedicated viewdata or teletext systems are claimed.

The system first "grabs" data from the intermediate frequency section of the set, or from the phone-line via a modem. Control input can be from a full "querty" keyboard of a small keyboard, infra-red remote control can be provided.

A data acquisition chip processes the data according to type and user requirement and loads the result into a store, from where it passes to a video generator for conversion into suitable signals for driving the tube. The whole board is controlled by a microprocessor chip. More from 1 Warwick Street, London W1R 5BW (01 439 1891).

It's what's behind this Card that really matters to your company.



The American Express Company Card System, as the name implies, means much more than the international mobility and security that the Card alone can offer the business traveller.

It means an end to the continuous flow of different bills and receipts for travel and entertainment expenses, from a variety of sources.

Because behind the Card is a streamlined efficient expenses system which sorts and collates all travel tickets, restaurant bills, hotel and car hire charged to the Card for each of your managers and executives.

Each month you will receive a summary statement which gives you a clear overall view of Cardmember expenditure.

Together with an itemized

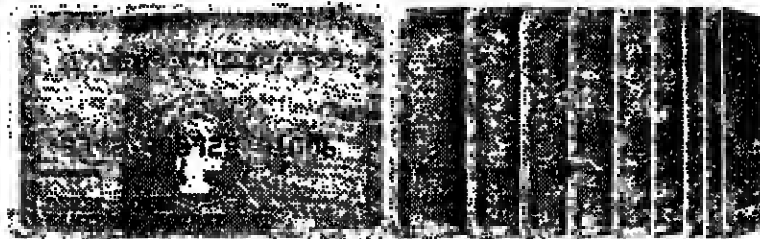
breakdown for each employee—including uniform legible receipts—this forms a compact and permanent record, which allows you to identify and control patterns of spending.

By eliminating large cash advances and gaining over four weeks' extra use of your company's money, you can also substantially improve expenses cash flow.

There's a choice of billing methods to suit your company. For example, you can choose to settle all Cardmember accounts with a single cheque.

For fuller details of how the American Express Company Card System can be tailored to meet your company's own special needs, just cut out the coupon.

And cut the hidden costs of business expenses.



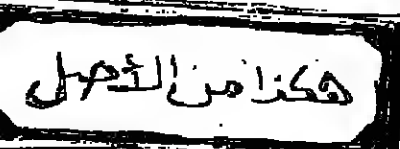
To: The Manager, Company Cards, American Express Company, Freepost, P.O. Box 91, Brighton BN2 1ZQ.

Please let me have further details of the Company Card System for 10 or more employees regularly incurring business expenses.

Name Mr/Mrs/Miss

Position

Company/Name and Address



If you would like details of the system for 1-9 employees only please tick

IN THE OFFICE

Lists word processors

THE FIFTH annual equipment review has been published by "International Word Processing Report" and this year runs to 64 pages—the first contained only five, an indication of growth in this area in such a short time.

The report lists the characteristics and prices of dictating machines, text editors, graphics display text editors and phototypesetters.

In the text editor section alone well over 100 items are described with prices ranging from under £1,000 to £100,000, with most of the systems ranging up to about £10,000.

Last section contains the names and addresses of suppliers of equipment throughout Europe.

A complimentary copy of the review is supplied to all subscribers of International Word Processing Report but single copies can be purchased by non-subscribers for £45 by applying to the company at 27 George Street, Richmond, Surrey, TW9 1HY (01-940 7886).

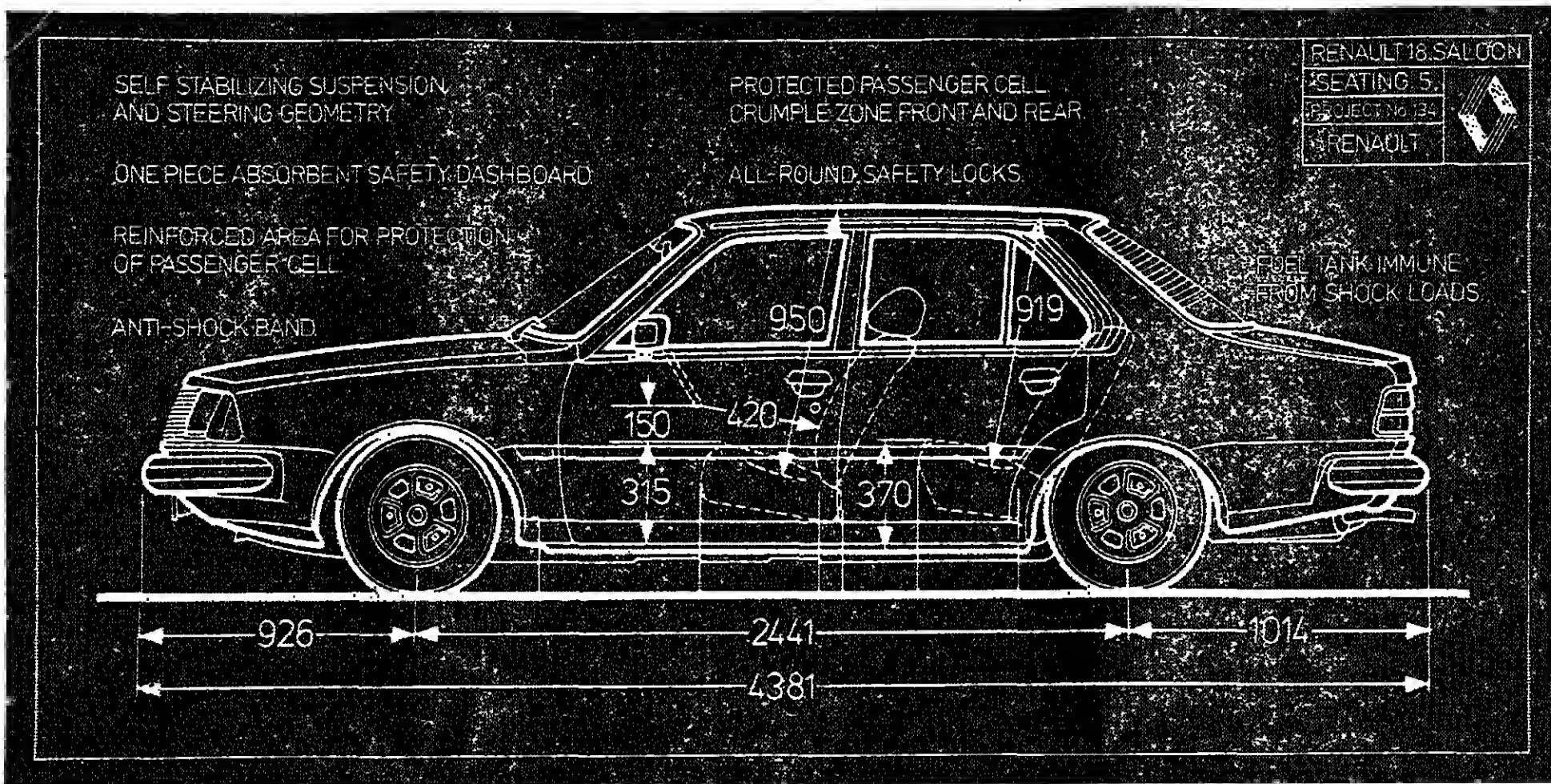


Nilfisk
—the world's largest manufacturer of Industrial Service Cleaners—
Bury St Edmunds, Suffolk IP38 4JG

GENERATORS UP TO 500 kVA. WATER PUMPS UP TO 8 INCHES.
MANUFACTURED BY
ATALANTA Engineering Ltd, Marshmoor, Reading, RG2 9AT. Telephone: 0735 3322. Telex: 831233 ATALANTA G. Telephone: ATALANTA CHESTERY SURREY.

هكذا من الثمن

Developed for several hundred million francs.



Between the two pictures lie 8 years and millions of pounds in research and development.

Most of which was spent ironing out the compromises you find on most ranges of cars. A small fortune was given to the body-shell designers.

Because they had to make it lighter and aerodynamic for fuel economy.

Yet stronger than all safety regulations. They did this, with the help of computers, by specifying a stronger floor pan, box beams and extra-thorough welding by robots.

The metal they pressed was rustproofed the day it was forged.

(Not after it had been lying under an old tarpaulin for weeks.)

And to cut your repair bills the wings and doorskins are detachable.

Naturally, the engineers got their fair share of the budget.

With 20 years' experience of front wheel drive they had no doubts about the extra space and improved traction it gives.

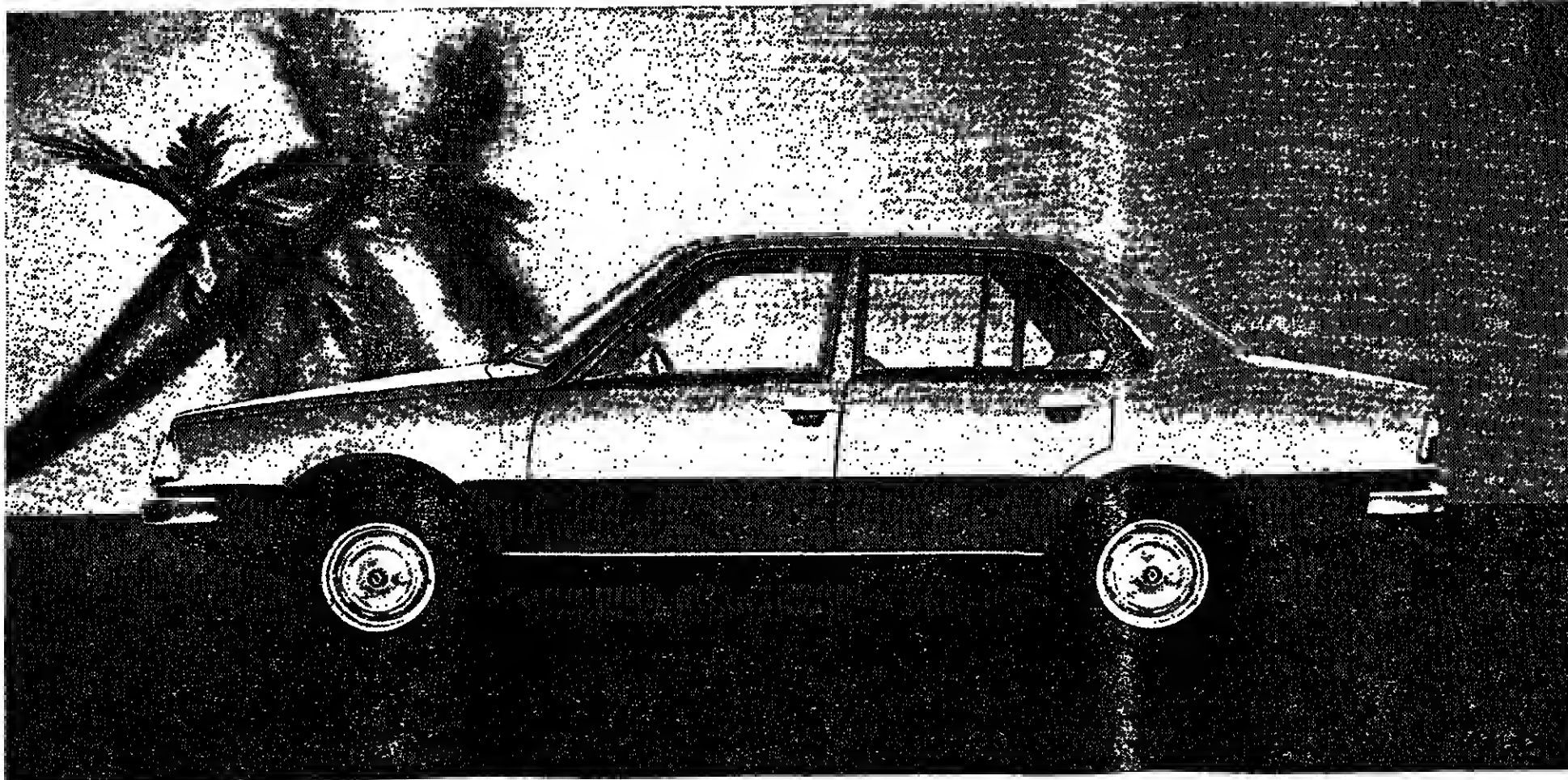
And the two engine options they chose, 1400cc and 1650cc, are flexible yet smooth revving.

In the case of the 18GTS, there's a five-speed gearbox for lazy cruising or a top speed of 101mph.

At the same time a long travel suspension system was developed specifically for the whole Renault 18 range.

Unlike most companies who use the same system across

Looks like a million dollars.



widely differing models.

With the most comfortable suspension you can fit the most comfortable seats.

To which they gave seat belts that are 10mm wider than on any other car on the road, to hold you more securely and comfortably in place.

This was just one small benefit from an extensive study of all types of real accidents on the roads of Europe.

Not just simulated accidents caused by driving dummies headlong into brick walls.

Last but not least, an unrivalled level of equipment was added to the GL and GTS.

Electric front windows, headlamp wash wiper, centralised door locking, head rests and tinted glass as standard.

There are seven models, including two new estates in the Renault 18 range.

Test drive one at your nearest Renault dealer. It won't cost you a penny.

RENAULT 18
7 MODELS FROM £3,723 TO £4,870.

Sells for £3,887.

*Prices (correct at time of going to press) include 15% VAT, Car Tax and seat belts. Number plates and delivery extra. For details of Fleet sales, business and professional leasing or a brochure, write to Renault (UK) Ltd., PO Box 2, London W3. Ask any of our 435 dealers about low rate Renault Loan and insurance plans. West End showroom, 77 St. Martin's Lane, London WC2. Renault recommend Castrol lubricants.

Senior changes at Crown Paints

From January 1 Mr. George D. Campbell becomes managing director and chief executive of the WALPAMUR COMPANY (IRELAND), Dublin. For the past six years he has been marketing director of Crown Paints, Darwen, Lancashire. Walpamur Ireland is an associated company of Crown Paints. Following this move, Mr. Gordon Fearnley is appointed sales and marketing director of Crown Paints. He has been sales director of the company for three years. A new works director has also been appointed to the Irish company. He is Mr. Alex Taylor, at present manager of Crown Paints' manufacturing unit at Woodley, near Stockport.

Lord Mais has been appointed Pro-Chancellor of the CITY UNIVERSITY in succession to Lord Alport, who has retired after seven years in that position. Lord Mais was Chancellor of the University during his term as Lord Mayor of London in 1972-73.

Mr. Michael Lawrence has been appointed commercial director of RACAL SAFETY.

Access Equipment has formed a subsidiary called ACCESS EQUIPMENT INTERNATIONAL with the following directors: Mr. T. F. James, Mr. J. W. S. Payne, Mr. G. R. Burt, Mrs. B. J. Desmond and Mr. K. M. Reader.

Mr. Ross Silver, branch manager of Thora-Ericsson Telecommunications (Sales), has become chairman of the ASSOCIATION OF DIRECT SPEECH SUPPLIERS in place of

Mr. Andrew Wood. Mr. Peter Mills, product manager, Plessey Communication Systems, succeeds Mr. Silver as secretary of the association.

Mr. Alan Chamberlain has been appointed chief passenger manager at the BRITISH RAIL Western Region Paddington headquarters. He succeeds Mr. Gordon Pettitt, who has moved to Liverpool Street as divisional manager.

Mr. J. G. Hartley, group managing director of the TEBBITT GROUP, has asked to be relieved of his full-time executive duties with the company to leave him free to develop the interests of Tiger Securities, of which he is a director. Mr. Hartley will remain on the Tebbitt board as a non-executive director with special responsibilities for new business opportunities. The new group managing director will be Mr. F. S. Jackson, who has previously been group operations director.

Mr. R. A. W. Rudd, chairman of Rowe Rudd and Co., has been appointed a non-executive director of Tebbitt.

Mr. Andrew Graham has joined the partnership of CONRAD RITBLAT AND CO. Mr. Martin Caley, Mr. Steven Tattersall, Mr. Paul Vockins, Mr. Malcolm Wharton and Mr. Martin Wilkinson have become associates.

Mr. F. L. Davison has been appointed managing director of C. R. PACKAGING from January 1, 1980. Mr. Ronald Kemp and Mr. Kenneth Kemp retire as joint managing directors at the end of this year but will remain directors. Mr. S. R. H. Samuel

becomes works director and will take over certain responsibilities previously carried out by Mr. Kenneth Kemp, who is to be managing director of Crescens Robinson and Co. and W. J. Dowding. The companies are members of the MY Dart group.

Mr. J. B. Cooper-Keeble and Mr. B. R. Secull have been appointed to the Board of ELECTROPOWER GEARS, a subsidiary of Normand Electrical Holdings.

Mr. John Ellis has been appointed managing director of SEKURA U.K. in Barnsley. He was general manager.

The Transport Minister has reappointed Sir Derek Mitchell and appointed Mr. Alexander Macintosh and Captain Malcolm Edge as members of the PORT OF LONDON AUTHORITY from January 1. Mr. Macintosh replaces Mr. David Lloyd of Ellerman City Liners, and Capt. Edge replaces Captain Bury of Trinity House. The appointments are all for three years. The Minister has also appointed Mr. Alan Greenegress as a member of the Authority until December 31, 1980, to fill a vacancy arising from the resignation of Miss Sheagah Roberts.

Mr. Ken Wilson has been appointed chief executive of BARNES FLEXIBLE PACKAGING, Manchester, one of the Jefferson Smurfit group of companies. He succeeds Mr. Derrick Lyon.

The TREES AND HARTLEPOOL PORT AUTHORITY have

appointed two senior officers as members from February 1. They are Mr. Keith Beckton, director of personnel services, and Mr. John Harkney, director of financial services.

THE CARNATION FOODS COMPANY has appointed two board directors—Mr. Neville Easton, who is responsible for the company's export activities, and Mr. Martin Hsley previously financial controller.

Dr. F. Anton has been appointed London representative of GIROZENTRALE, Vienna, at Birchin Lane, EC3. Girozentrale is the first Austrian bank to open an office here. Dr. Anton was the departmental manager of the Euro currency banking department in Vienna.

Mr. Eric Martin has been appointed chief engineer at board headquarters in Manchester of the NORTH WEST ELECTRICITY BOARD.

Mr. Erian Halls has been appointed deputy group managing director of the ROBERT FRAZER GROUP, Hebburn. For the past 10 years he has been director of the steel stockholding division.

Mr. Curtis E. Jones will retire as president and director of MELLON NATIONAL CORPORATION and Mellon Bank NA, on December 31. He has been affiliated with corporation and its predecessors for more than 43 years and was elected to his present position in 1974.

New chief for Hertz Europe

Mr. Joseph Vittoria has been made president of HERTZ EUROPE. He will continue to be responsible for the company's operations, sales and marketing programmes, and other staff functions. From the London office he will also assume direction of Hertz activities in Asia and the Pacific.

Mr. John Boden, chairman of the Metal Closures Group, has been appointed chairman of the Metal Closures Commission of SEFEL, the co-ordinating organisation for the closures and light metal packaging industries in Europe.

THE CONTINENTAL CAN COMPANY has appointed Mr. F. A. Barrett as managing director for Africa, the Middle East and the UK. Mr. R. W. Schiefel has been appointed general manager of operations and assistant managing director of Continental Can (UK).

Mr. Gwyn Craven, an executive local director of Barclays Bank, has been seconded to the NATIONAL TRUST as director, Welsh Fund and special projects. Mr. Craven is a former member of the Welsh Council and Welsh Industrial Development Board.

Mr. Roy Earnshaw, formerly a director of Turner and Newall subsidiaries and special adviser to the British Overseas Trade Board, has joined the board of ACTAIR INTERNATIONAL as a non-executive director, and Mr.

John Bickle, general manager of the company's air pollution control division, has been appointed an executive director.

Mr. Ben Edwards, an international sales representative for Eocyrus-Eric Company, South Milwaukee, Wisconsin, has moved to the Lincoln plant of RUSTON-BUCYRUS as manager, machine sales. He has been operating from Paris, his territory encompassing France and former French colonies in North and West Africa.

Mr. Peter W. P. Horth has been appointed managing director of H. FAIRWEATHER AND CO., construction division of the Wood Hall Building Group.

Mr. Richard Hall has joined INMOS CORPORATION as vice-president of finance and administration. He comes from EMI Technologies Inc., where he was a vice-president. He previously worked as group treasurer of EMI in the U.S. and was also senior vice-president of Rolls-Royce, Inc.

Mr. Bop H. Menke has been appointed vice-president of finance for LOCKHEED AIRCRAFT SERVICE COMPANY. Previous positions with Lockheed since he joined the company in 1956 have included president of Lockheed Aircraft International, A.G. in Geneva and managing director of Lockheed Aircraft Service, Singapore.

DSO, MC, MM...

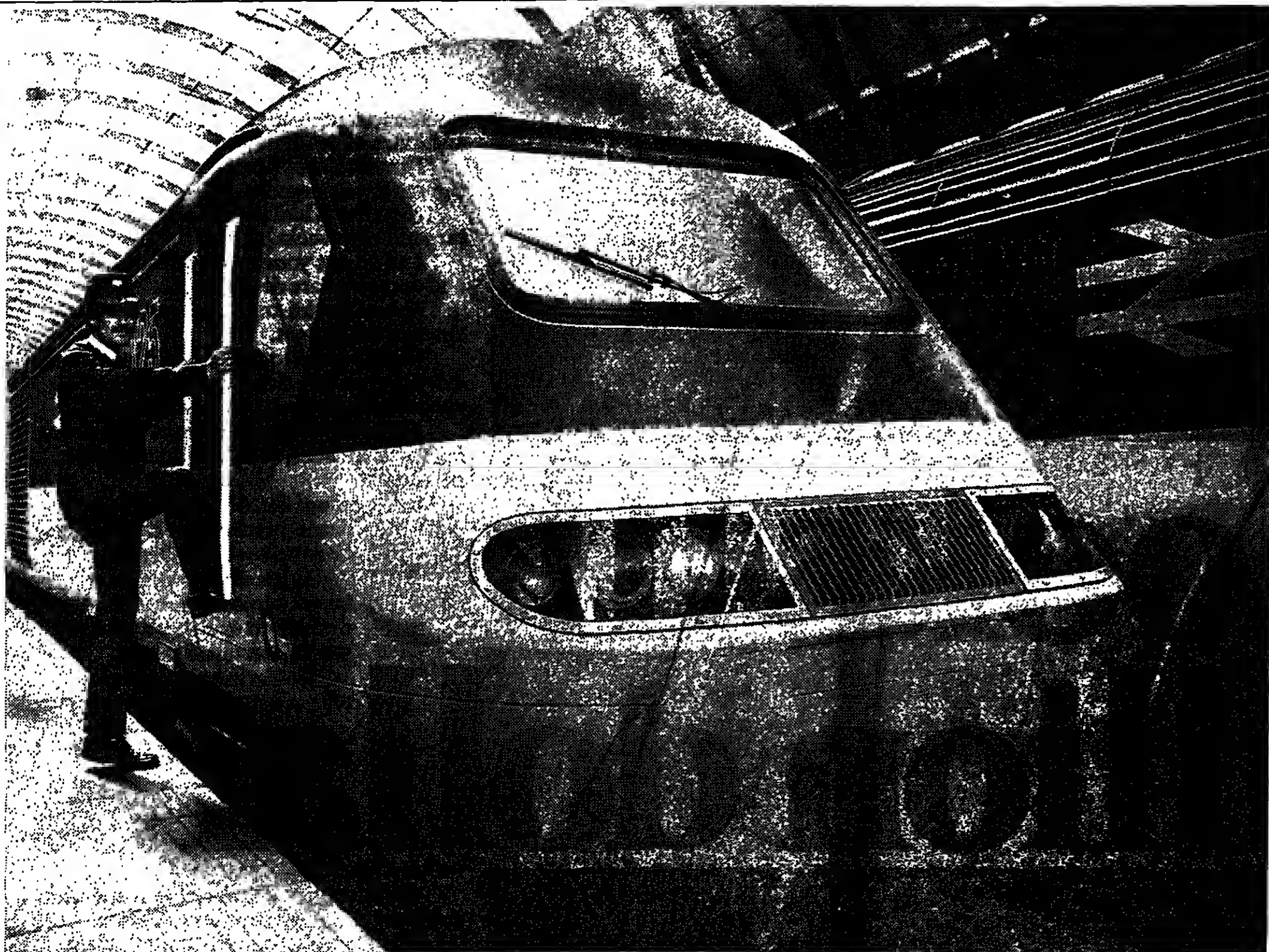


now, when he sees a clock, he hides

There are limits to what the human mind can stand. For Major ~~xxxxxx~~, after years of heavy work in Bomb Disposal, the limit comes each time he sees a clock. Every alarm clock is a bomb, each ticking watch a probable explosion. Soldiers, Sailors and Airmen all risk mental breakdown equally in war and in keeping the peace. There are bombs much nearer to us than Cyprus, Aden or Malaya. We devote ourselves solely to the welfare of these brave men and women who have tried to give so much more than they could. We help them at home, and in hospital. We run our own Convalescent Home. For some, we provide work in a sheltered industry, so that they can live without charity. For others, there is our Veterans' Home. If we are to go on helping them, we must have funds. Please send a donation, please sign a covenant, please remember us with a legacy, perhaps. The need is really urgent; and the debt is owed by all of us.

"They've given more than they could— please give as much as you can."

EX-SERVICES
MENTAL WELFARE SOCIETY
37 Thurlow Street, London SW7 2LL, 01-584 8688



It's more businesslike to be chauffeur driven.

Driving yourself to business meetings is one certain way to drive yourself round the bend.

Driver fatigue, stress and strain can all play their part in reducing your effectiveness; and when a meeting is important enough to travel to, it's important you're at your best.

Hiring a chauffeur is one answer, but even he won't be able to negotiate traffic jams, fuel shortages and the other unpleasant surprises that can make travel by car so unsettling.

Letting us 'chauffeur' you there provides the perfect solution. Reliable.

Inter-City trains will take you to your meeting quickly and comfortably, so you arrive at your destination in better shape.

Only when you travel by train can you stretch your legs, spread out the paperwork on the way to the meeting, or spruce up and wash your hands. Some Inter-City trains offer catering so you can arrive well fed and well prepared!

One thing you can be sure of is that with Inter-City you'll arrive in the right frame of mind to be at your best.

All in all, Inter-City is a more businesslike way to do business.

 Inter-City

Have a good trip.

هكزامن النجول

A FINANCIAL TIMES SURVEY

SCOTLAND

DECEMBER 12 1979

The Financial Times proposes to publish a Survey on Scotland. The provisional editorial synopsis is set out below:

INTRODUCTION: With unemployment starting to rise again and companies indicating that they intend to cut back on investment, Scotland's economy looks as though it is resuming its traditional role in the UK economy as a whole—this time showing the early signs of recession. There are however some hopeful signs.

Editorial coverage will also include:

- Politics
- Regional Incentives
- Small Town Scotland—a case study
- The Entrepreneurs
- Company Profile
- Offshore Oil and Gas
- Chemicals and Petrochemicals
- Electronics
- The Nationalised Industries
- Motor Industry
- Engineering
- Finance
- Brewing
- Transport
- Tourism
- Property

Copy date is November 30th 1979

For further information and details of advertising rates please contact:

Kenneth Swan,
Regional Manager, Financial Times,
37 George Street, Edinburgh EH2 2HN
Telephone: 031 226 4139. Telex: 72484

FINANCIAL TIMES
EUROPE'S BUSINESS NEWSPAPER

The content and publication dates of Surveys in the Financial Times are subject to change at the discretion of the Editor.

LOCAL AUTHORITY BONDS

Every Saturday the Financial Times publishes a table giving details of LOCAL AUTHORITY BONDS on offer to the public

For advertising details please ring:
B. Kelaart, 01-248 8000, Extn. 266

Who needs another credit card?

British Airways think you do.

With so many credit cards around, the last thing you want to hear about is yet another.

But British Airways Visa Card, an extension of British Airways worldwide services, is designed specially to make travelling easier.

How can a British Airways Visa Card take more care of you?

You can use British Airways Visa Card in over 130 countries to buy tickets, petrol, pay hotel and restaurant bills, for shopping, foreign currency and at Travel Agents.

Plus free Travel Accident Insurance when the card is used to pay for fares or car hire.

It offers all the world-wide acceptability of the International Visa System and even sports the familiar blue, white and gold livery.

There's also a Company Card available that's invaluable for expense account control when you're on company business.

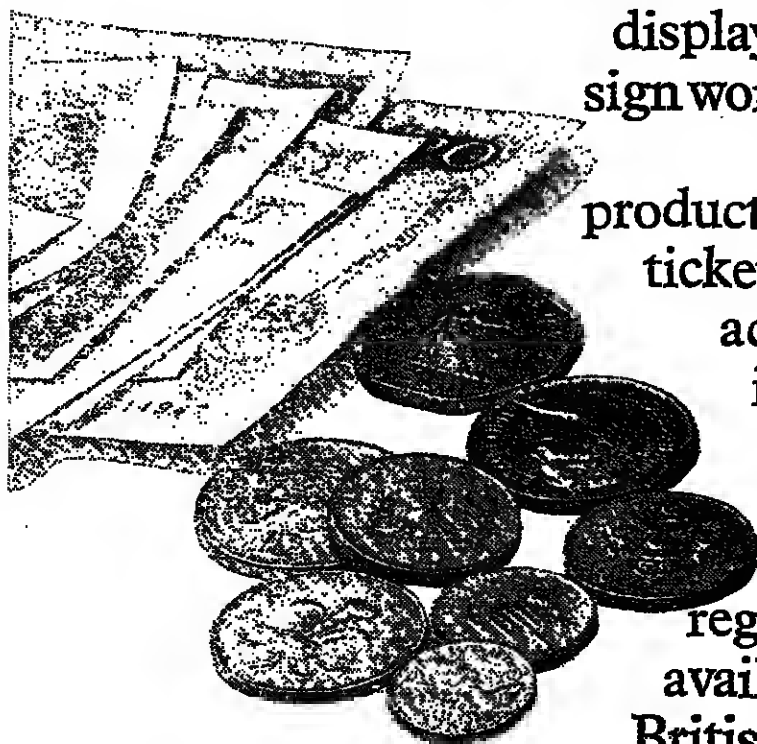
Naturally, credit limits will reflect the needs of the international traveller. So not everyone will qualify for this card.



How can it take care of cash?

You can use your card to obtain a cash advance of up to £100 a day through all banks displaying the Visa sign worldwide.

In an emergency, on the production of your passport and ticket, British Airways will accept your card as identification in cashing your cheques up to £50 in local currency (subject to local currency regulations and cash availability), at any British Airways Airport or Town office anywhere in the world.



How can it take care of hotels?

As a cardholder you will receive details of special offers - British Airways concession vouchers for selected British Airways Associate Hotels in key situations all over the world, for example, plus bargain holidays.

All in all, a British Airways Visa Card takes more care of you because it takes more care of everything.

The British Airways Visa Card is issued and owned by Barclays Bank Limited.

For further information complete and return the coupon below.

To: British Airways Visa Card, Dept. MU 73, Barclaycard Centre, Northampton, NN1 1SG. (Tel: (0604) 21100).

Please send me details of the British Airways Visa Card Visa Company Card (Tick as required).

Available to UK residents only.

Name: _____

Address: _____

**British
airways** 
Takes more care of everything.

UK NEWS—PARLIAMENT and POLITICS

Government puts forward models for devolution

BY ELINOR GOODMAN, LOBBY STAFF

THE CONSULTATIVE document on Northern Ireland, published yesterday by the Government, aims to provide the "building bricks" for some form of devolved Government in the province.

None of the models involve the devolution of responsibility for law and order to the province. Nor is there a suggestion that there should be a return to the institutionalised "power sharing" with a place in Cabinet as of right for parties representing the Catholics, which was a major issue in the fall of the 1974 Assembly.

The working paper says that under this system the rights of minorities might be protected in a number of ways including, possibly, a regular vote in the assembly by a weighted majority.

special representation on each committee or by giving them restricted blocking power in relation to legislation—again using the idea of a weighted majority.

Blunt immunity offered at 'the highest level'

PROF. ANTHONY BLUNT claimed yesterday that he had been offered immunity from prosecution in 1964 without negotiation, bargaining or preconditions.

I was told that the decision had been made at the highest level, by which I took it—in fact, I think I was told specifically—meant the then Prime Minister," he said.

Mr. Blunt's claim, which contradicts Lord Home's statement that he had never been informed of the affair while Prime Minister, was made during interviews to newspaper and television reporters yesterday.

The Queen's former art adviser, now 72, tall, thin and bespectacled, came out of hiding to give a restricted press conference at The Times offices in London.

He sipped whisky as he posed for pictures and told the reporters: "It has been quite a strain. . . . Now it's all come out, I feel better."

Slumped in a chair before the television cameras, Mr. Blunt declared: "I can only say that I acted according to my conscience and that I bitterly regret what I did."

He said he had been recruited as a Russian spy by Guy Burgess. "It was simply that there was an atmosphere at that time of anti-Fascist feeling and there was a very strong pressure towards the Left."

"It was put to me by Guy that it was my duty. It had nothing to do with homosexuality."

Mr. Blunt said that the information he had given to the Russians during his war years as a member of MI5 would not have been of very great benefit to them.

Mr. Blunt, who said he visited Russia as an ordinary tourist in 1935 or 1936, confirmed that he had acted as a



talent spotter" for Russian Intelligence until 1937.

How many did you spot? he was asked. "This is some-where I must take refuge behind the Official Secrets Act," he replied.

Questioned about the information he had supplied to the Russians as a member of MI5 during the war, Mr. Blunt insisted that they could have gained little benefit from it.

"The information that I passed to them was almost exclusively about German intelligence services. And that was largely information which a lot of people in MI5 thought ought to have been given officially."

Mr. Blunt asserted categorically that he had put no lives at risk.

"I had, in fact, no informa-

tion—none about British agents at all. I was not connected with that aspect, with the section of MI5 which would have been connected with that aspect of MI6.

"And I had no information about military defences or anything to do, really, with the military side."

Mr. Blunt said that he had not been paid by the Russians; nor had he tipped off either Guy Burgess or Donald Maclean before they defected in 1951.

"Philly obviously tipped them off that he was going to be interviewed or interrogated and very soon. But I had no contacts with my old colleagues in MI5 at that time, nor, even if I had, could I possibly have put that kind of question. This would have been top secret."

Blunt said the Russians had also ordered him to leave the

country, invited him to go to Russia.

"Why didn't you accept it?" he was asked.

"Because I was by that time (1951) totally disillusioned and the process of thought that I remember going through was that I would rather spend another month, even in danger, in England than 10 years in Russia."

Mr. Blunt said that because Britain and Russia were allied during the war, his activities had been a "moral worry" but "it wasn't too acute."

His contacts had ended "to all intents and purposes" in 1945. "And it was at that time, of course, that I began to realise what an appalling mistake I had made."

After the defection of Burgess and Maclean he had "a great

many discussions" with MI5.

"I was in close contact with them," he said.

"The security service had some evidence—I can't discuss in details because it would mean revealing what are quite definitely official secrets," Mr. Blunt said.

He had been promised immunity—and just that—if he confessed and, because he considered his personal loyalty to friends had then been dissolved, he did so.

Mr. Blunt said he could not answer questions about the possibility of other deals done with other people. There must have been other people, obviously," he declared.

But he insisted that allegations of a "fifth man" in the Burgess-Maclean-Philly ring were "a complete mystery"

What did you hope to gain by your deal with the Security Services? he was asked.

"The security services simply gave me immunity and I gave them a great deal of what I hoped was very valuable information," he said.

Asked whether the Queen knew of his confession, Mr. Blunt said: "This is a question, again, that I would rather not discuss because my information, if not second hand, is rather vague."

"I can only say that as far as I was told at the time, and later, she was not. But I may be wrong about this."

The Queen might have been notified about his confession later, during the 1970s.

Would it not have been gentlemanly to resign from the Royal Household?

"I was there to do a job and I still thought it was important to do," Mr. Blunt said.

"I don't see how the confession in 1964 could have made any difference. If you say I should never have accepted the job, I can see the logic."

How do you feel about being called a traitor now? Blunt replied: "But I feel I haven't betrayed my conscience."

He had acted according to conscience in the early 1950s, and that had meant disloyalty to his country. "I believed it was the right thing in the cause of anti-fascism. I now realise bitterly that this was totally wrong."

So you do have regrets?—"Oh yes. Bitter."

And the future? "I hope to be able to go back and do some work on art history," he said.

I chose conscience before my country

MR. ANTHONY BLUNT'S statement on his role in the spy scandal, issued to the Press Association yesterday, said:

In the mid 1930s, it seemed to me and to many of my contemporaries that the Communist Party and Russia constituted the only firm bulwark against fascism, since the Western democracies were taking an uncertain and compromising attitude towards Germany.

I was persuaded by Guy Burgess that I could best serve the cause of anti-fascism by joining him in his work for the Russians.

This was a case of political conscience against loyalty to country: I chose conscience.

When later I realised the true facts about Russia, I was prevented from taking any action by personal loyalty: I could not denounce my friends.

In 1964, an event took place which meant that I was no longer bound by this loyalty, and being promised immunity, I was relieved to give the authorities all the information in my possession.

From 1945, I ceased to pass information to the Russians but in 1951 I was in contact with them on behalf of Burgess. I was myself pressed to go to Russia. I refused.

Andrew Boyle has stated that I obtained from a former colleague in MI5 the exact date on which Maclean was to be interviewed. There is no truth in this story.

I had no contacts with MI5 between 1945 and 1951, and I had no information from any other source as a result of which I might have tipped off Maclean; and I did not in fact do so.

In 1945, I went back to my normal academic work and was also appointed Surveyor of the King's Pictures.

I did not apply for or seek this appointment, but I was pressed to allow my name to be put forward, and, when offered it, accepted on the grounds that I knew there was much work to be done on the collection and that I believed I could do it.

I resigned from the post in 1972 on the grounds that I felt I had done what I could for the collection, which was in effect being looked after by my deputy, Sir Oliver Miller; but I was asked to stay on as Adviser for the Queen's Pictures and Drawings.

In 1956, the Queen honoured me with a knighthood. It has been said that I "accepted" the knighthood. In fact, as a member of the Royal Household, I was not told in advance and the first that I knew of the matter was reading the announcement in The Times.

When Mr. Michael Rubinstein told me that the Queen was going to strip me of my knighthood I immediately wrote to the proper authority offering to resign it, but presumably the letter did not arrive before the announcement was made.

When I was told of the impending statement in Parliament by Mrs. Thatcher, I did not at any time contemplate leaving the country but I realised that there would inevitably be a barrage of inquiries from the Press while questions were being asked in Parliament; and I knew that I could not give helpful answers to questions which might be put to be so long as I was unaware of exactly what the Ministerial answers would say.

I should add that I remained—as I still remain—under the constraint of the Official Secrets Act.

I am encouraged by the letters from my former students and by messages from colleagues and friends, to hope that I shall be able to resume my work as an art historian.

Aerospace group will stay British

BY IVOR OWEN

FOREIGN interests will not be allowed to acquire more than a 15 per cent holding in British Aerospace when it is converted into a limited liability company and a substantial proportion of the shares sold to the public.

A firm undertaking that control of the industry will not be allowed to pass into foreign hands was given by Sir Keith Joseph, the Industry Secretary, in the Commons last night when he moved the second reading of the British Aerospace Bill.

He confirms that the Government intends to retain about half the shares—the Bank of England will manage the issue in conjunction with Kleinwort Benson which has been engaged to act as merchant bank advisers to the Department of Industry.

Sir Keith argued that the Government's decision to adopt a "BP solution" to secure the removal of British Aerospace from the public sector should help to provide a stable basis for the industry.

He believed it would become still more successful as, shorn of immunity from the market, it learned to adapt all the more readily to the needs of its customers and shareholders.

His hopes received little encouragement from Labour MPs who cheered Mr. John Silkin, the shadow Industry Minister, when he reaffirmed that "when the time comes" the Bill would be repealed and the industry re-nationalised.

Under challenge from the Tory benches, Mr. Silkin was more circumspect about whether a future Labour Government would "confiscate" shares held in the aerospace industry by the private sector.

Ignoring Tory protests, Mr. Silkin continued that the only example of confiscation which he had experienced in the House was when the Heath Government "confiscated shares in Rolls-Royce."

He said this had been achieved through bankruptcy—while the shares would be re-nationalised, bankruptcy formed no part of Labour's intentions.

Emphasis on budget contribution

By Our Parliamentary Correspondent

MRS. THATCHER made it clear in the Commons yesterday that she will be pressing at the Dublin summit for a full settlement of Britain's grievances over the UK contribution to the EEC budget.

She explained that she had seen some of Britain's Common Market friends earlier yesterday. She had taken the opportunity to make two things clear to them.

In the first place, half a loaf was not good enough for Britain in the coming discussions. Second, she would be following the traditional British literary example and asking for more.

The treaty had to be in tune with the needs of the time, she stressed. The Government would follow the good Conservative maxim that change is a means of conservation.

● NAVAL BOOST: The Fleet Air Arm is to get its own auxiliary force as part of the Royal Naval Reserve. Keith Speed, Navy Minister, announced yesterday. The force, to be called the Royal Navy Reserve (Air) Branch, will start in 1980 and will augment front-line squadrons.

● SPINE UNIT: The Government announced a reprieve yesterday for the famous spinal unit at Stoke Mandeville Hospital, Buckinghamshire. The move follows a wheelchair occupation by patients protesting at plans by Buckinghamshire area health authority to close two wards.

● TRANSPORT ANXIETY: Parents and education authorities were suffering "mounting anxiety" in rural areas over school transport charges, Labour education spokesman Ann Taylor said yesterday. The charges made a "mockery" of Government claims that it was providing greater parental choice in education.

Secrets Bill is to be withdrawn

BY JOHN HUNT, PARLIAMENTARY CORRESPONDENT

THERE WERE loud cheers on both sides of the Commons yesterday when the Prime Minister announced that the Government's much criticised Protection of Information Bill is to be withdrawn in the wake of the disclosures in the Blunt affair.

During further questioning about Mr. Blunt, Mrs. Thatcher said that she had discussed the future of the Bill with Mr. William Whitelaw, the Home Secretary.

As a result, it had been decided not to proceed further with it.

The measure, which replaces the all-embracing Section 2 of the Official Secrets Act, has

Thatcher refuses to resign

BY JOHN HUNT, PARLIAMENTARY CORRESPONDENT

THE PRIME Minister strongly defended Government policies yesterday when a Labour MP demanded her resignation over the handling of the economy.

Mr. David Winnick (Lab. Wall-sall N.), asked if she was aware of the extreme unpopularity of her administration as the economic crisis deepened and prices continued to rise.

On top of this, he said, there would be a further blow from the increase in mortgages next year.

He called on Mrs. Thatcher to have the courage to put Britain's interests first and resign.

Retorted the Prime Minister: "One thing I am not lacking is courage."

She called on MPs on both sides of the House to support the Government and to enable the nation and the Government to live within their means.

When that happened it would be possible to take firm steps to get interest rates down and make other advantageous measures in reducing tax rates.

Edwards accused of using mole tactics

BY JOHN HUNT, PARLIAMENTARY CORRESPONDENT

SIR MICHAEL EDWARDES, BL chairman, was "the mole of British Leyland—wrecking the firm from within," a Labour MP claimed in the Commons yesterday.

Mr. Robert Cryer (Lab. Keighley), protesting over the dismissal of Communist works convenor Mr. Derek Robinson, asked the Prime Minister, Mrs. Margaret Thatcher during questions "to condemn the wrecking tactics of British Leyland management in seeking to victimise a shop steward who has a different opinion from the management."

"Will you support those trade union leaders and workers who are taking action to defend the right of freedom of speech in this country?"

"Would you agree with me that the reputation of Sir Michael Edwarde is becoming more and more like the Mole of British Leyland, wrecking the firm from within?" Mr. Cryer asked Mrs. Thatcher.

But his remarks about Mr. Robinson's dismissal yesterday—for distributing leaflets urging rebellion against Sir

Move to end jury vetting

BY JOHN HUNT, PARLIAMENTARY CORRESPONDENT

A BILL to abolish jury vetting was introduced in the Commons yesterday. MPs gave a formal first reading to the Jury Vetting (Abolition) Bill sponsored by Mr. Alfred Dubs, (Lab. Battersea S.).

He said that the practice of jury vetting was "reprehensible" and had never been sanctioned by Parliament, was carried out in secrecy to the detriment of justice, and had done a great deal of damage to confidence in British justice.

Mr. Dubs said the aim of his Bill were to abolish jury vetting to make it illegal for either prosecution or defence to make inquiries about individuals on a jury panel, and to require the prosecution to provide reasons for their objection to any particular juror.

Mr. Dubs said that the practice had been going on in secret for some four years before it came to light a year ago. It did not happen in Scotland, and much could be learned from that country.

Mr. Dubs said jury vetting was "bound to assist the prosecution more than the defence."

Thatcher refuses to resign

BY JOHN HUNT, PARLIAMENTARY CORRESPONDENT

THE PRIME Minister strongly defended Government policies yesterday when a Labour MP demanded her resignation over the handling of the economy.

Mr. David Winnick (Lab. Wall-sall N.), asked if she was aware of the extreme unpopularity of her administration as the economic crisis deepened and prices continued to rise.

On top of this, he said, there would be a further blow from the increase in mortgages next year.

He called on Mrs. Thatcher to have the courage to put Britain's interests first and resign.

Retorted the Prime Minister: "One thing I am not lacking is courage."

She called on MPs on both sides of the House to support the Government and to enable the nation and the Government to live within their means.

When that happened it would be possible to take firm steps to get interest rates down and make other advantageous measures in reducing tax rates.

هكذا من الأهم

THE MANAGEMENT PAGE

EDITED BY CHRISTOPHER LORENZ

The peripatetic pension

BY ERIC SHORT

COMPANY PENSION provision in the UK suffers from two major defects. First, while fully allowing for inflation up to the time an employee retires, by and large it ignores inflation once an employee has retired.



what level of pension he requires at retirement and the actuary calculates the appropriate contribution rate. Or he decides how much is to be paid in contributions and the actuary estimates the pension level provided.

Unacceptable

By determining the pension level required—the method used in the main company pension scheme—it ensures that the executive retires on an adequate pension. But if the executive is well into middle age, the contribution rate required may be unacceptably high to the employer.

Since this is classified as a company pension arrangement, at least 85 per cent of the contributions have, by Revenue requirements, to be paid by the company. The executive therefore needs to have company approval before effecting this scheme.

These schemes come under the Superannuation Funds Office rules for small schemes. They impose certain guidelines on investment, and insist on the appointment of a special trustee, known as the "pension trustee" to prevent unauthorised winding-up of the plan.

It is advisable, but not necessary, that the plan is written on top of the State scheme.

written on top of the State scheme. The administrative problems of "contracting-out" of the State scheme are considerable.

Employers far prefer to operate on a fixed level of contribution; this means that they are not entering into an open-ended commitment as they would be for a fixed level of benefits.

Once the contributions have been paid, they have to be invested. Although Richards, Longstaff will introduce an investment adviser, the executive can choose his own adviser and he fully involved in the investment of the fund.

Given such a daunting cost, is it really worthwhile being so involved with "patenting"? Would it not be more advantageous to spend the money in selling the product and establishing it as a market leader?

Given such a daunting cost, is it really worthwhile being so involved with "patenting"? Would it not be more advantageous to spend the money in selling the product and establishing it as a market leader?

Confessions of a clean-up operator

Nicholas Leslie meets an entrepreneur who sold one idea to finance another

FEW PEOPLE with what they consider a good business idea like to part with equity in order to get financial backing.

His reason for doing so was simple. He reckoned that the business he wished to establish could develop into a £100m market within a few years and that even if he achieved only average growth there would be no way he could finance such a rapid build-up without very substantial funding.

Brazil's business is vacuum cleaners—or, more precisely, a new type of machine that combines a vacuum cleaner, which can suck up both dry dirt and liquids, with a carpet cleaner that works on a water extraction principle.

The costs involved in getting his company—Vax Appliances—into its first full year of operations have been high. Brazil says that on patenting alone he has so far had to spend £100,000. This has covered applications for five patents in 13 countries.

funding he now has, and he also maintains that with such powerful potential competitors as Hoover, Electrolux and Philips ranged against him, patenting protection is absolutely essential.

Brazil's backing came from Wagon Industrial Holdings, a group which comprises diverse interests, including Link 51 Plastics. It was Link which provided the bridge between Brazil and Wagon. Brazil had been using Link to manufacture the plastic parts for his prototype cleaner—called the Vax Valet.

At first, says Brazil, he was not particularly keen, but, ironically, it turned out to be the venture capital firm, Technical Development Capital (a subsidiary of Industrial and Commercial Finance Corporation) which indirectly changed his mind.

So he accepted Wagon's backing. The deal involved Wagon purchasing 75 per cent of the £40,000 equity capital, and Brazil the balance. In addition, Wagon guarantees Vax what are essentially over-draft facilities—the current limit is £5m.



High knowledge

has 350 acres near Birmingham; but one who has both dabbled in, and been committed to, a variety of ventures. "I am," he says, "one of those people whose career goes up and down (hopefully not on this occasion). I either have money or no money at all."

It was in the early 1970s that Brazil first became involved with vacuum cleaners. With a friend he had the idea of providing a general contract cleaning service to housewives.

largest makers of industrial cleaning equipment.

The basic principle of his new machine is that the exhaust air from the vacuum is used to power the water down a narrow pipe connected to the vacuum arm into the carpet. The water comes out through the centre of the vacuum head and is then sucked up through that same head. The way the water is powered causes a swirling action in the carpet which Brazil claims makes it more effective at shifting dirt.

Though Brazil's idea was to have a machine he could price at around £100 retail, this was not because he had the consumer market primarily in mind. His first target is aimed at public houses, restaurants, large department stores, offices and the like.

Brazil, who sold his earlier vacuum interests to Reckitt and Colman in 1977, claims that he has little difficulty in convincing people that his machine works. The problem lies in getting them to admit that their carpets are dirty in the first place, he says. Having got over that barrier, he then has to convince them that they should clean their carpets much more regularly.

Executant Management Services present the second BRITISH CONFERENCE ON THE JAPANESE APPROACH TO PRODUCT QUALITY MANAGEMENT

Special International Guest Speakers will include Professor Naoto Sasaki of Sophia University Tokyo, Orjan Alexanderson, Sweden and Jeff Beardsley, U.S.A.

THE CAVENDISH CONFERENCE CENTRE LONDON W.1 6th-8th FEBRUARY '80

BOOK NOW! Please send me further details of your conference. Name, Company, Address.

BUSINESS PROBLEMS BY OUR LEGAL STAFF

Compensation payments

The company of which I am a director terminated my service agreement whilst it had over two years to run. Subsequently I started my own business which traded at a loss initially.

The normal rule requires the company to reimburse you your actual loss, i.e. what you would have received net of tax. However we think that they cannot claim to limit the amount so payable by reason of your business earnings except to the extent that the business was in profit.

the audited account would be deducted from your notional gross earnings figure under the contract of service. We think that they can require your tax position to be seen as excluding trading losses when calculating the figure which you would have earned under their contract.

Closing down a company

With reference to your reply under Closing Down A Company (October 17) will you please advise what the position is with regard to the £30 per day penalties introduced by the 1967 Companies Act?

Assignment of tenancy

I have a friend who has the tenancy of a small farm. When he retires will it be possible for him to assign the tenancy to me, even though we are not related?

No legal responsibility can be accepted by the Financial Times for the answers given in these columns. All inquiries will be answered by post as soon as possible.

THE HILTON ROOF. IT'S LIKE NOTHING ON EARTH.

Our Roof Restaurant is well known to London's romantics. If, however, you have business, rather than romance on your mind, you can be forgiven for not thinking of the Roof Restaurant as a place to meet.



Control Your Company's fuel costs with ALL STAR PETROL CARD



- Nationwide Service from over 1700 garages. No need for Cash Floats. Cash prices on Credit. Tax Advantages. Weekly statements. Greater security. Only Petrol, Oil and Derv can be purchased.

Name, Company, Address, Tel. ALL STAR PETROL CARD LTD. MARKETING DIVISION, ACTON HOUSE, HURSTFIELD PLACE, LONDON WY6 5SA

Obtain substantial INCOME TAX REPAYMENTS

Most of you will be receiving substantial tax rebates this month. Fitzhoward Todd has a completely legal, commercial scheme, developed as a result of this year's second Finance Act, to secure tax rebates for us far back as 1976, at rates up to 98%.

To take maximum advantage of this new, but once-and-for-all tax saving opportunity, URGENT ACTION IS REQUIRED. To arrange a private meeting, please write or telephone

Alan Sharp, Director of Client Liaison, Fitzhoward Todd, Hillgate House, Old Bailey, London EC4M 7HS. 01-248 6321

THE FITTINGHAM'S

Illustration of a man rowing a boat. Text: 'THE FITTINGHAM'S The Executive Rowing Machine lets you enjoy all the benefits of rowing right there in your own home.'

The Executive Rowing Machine lets you enjoy all the benefits of rowing right there in your own home. Available from leading Departmental and sports stores or write in us for your nearest stockists.

Illustration of a Puch-Tunturi rowing machine. Text: 'PUCH-TUNTURI' logo and address: 211 Lower Pemberton Street, Nottingham N6 1WZ.

LOMBARD

Don't rush it, Sir Keith

BY JOHN ELLIOTT

SIR KEITH JOSEPH is considering making a major policy decision which smacks somewhat of vindictiveness against the innovations of his Labour predecessor. The decision involves the future of the Post Office's worker director experiment.

Neither act is a sensible course for a Government which in a couple of weeks' time hopes to launch co-operative discussions on the country's economic and industrial problems in the forum of the National Economic Development Council.

Governments, like managements, need co-operation if they are to carry out their responsibilities effectively—and that involves increased communication, consultation, and participation. One road to such co-operation in industry is a system of employee involvement in decision making.

Opposition

The experiment was introduced at the beginning of last year following an initiative by Mr. Anthony Wedgwood Benn when he was Industry Secretary. For a two-year period the Post Office has been reconstituted to include seven management and seven trade union representatives, plus five independents.

Changes

But no convincing arguments for scrapping the Post Office experiment have yet been made. Studies cited by the management suggest that the workers' directors wielded little real influence, that their boardroom role has been remote from the real centres of executive decision making.

Such problems should lead to consideration of changes aimed at strengthening the worker directors' impact and relating them more strongly to their union members' views. It would of course be illogical to expect Conservative Ministers immediately to leap to such conclusions, but at least they should use the testing troubles as an excuse for extinction.

The period till the Post Office is next year provides an ideal time for a calm joint reassessment of the problems and potential. Sir Keith should not scrap the scheme; he should encourage the management to make it work.

Table with 2 columns: Time and Program Name. Includes BBC 1, F.T. Crossword Puzzle No. 4,131, and various news and entertainment programs.

F.T. CROSSWORD PUZZLE No. 4,131

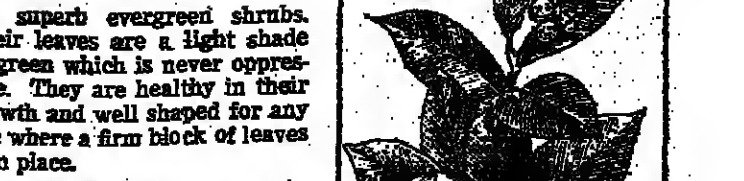
Crossword puzzle grid with numbered squares for letters.

- ACROSS
1 Argue about mammal in river (6)
4 Off back into burn for frame-work (8)
10 F.B.I. agents in set divide into sections (7)
11 Ring-shaped structure to abolish us (7)
12 Stake a net that's distorted (4)
13 Late communication is undervalued (4,6)
15 Seize meat rolled up and paid (6)
16 Call it eastern insect (7)
20 Hare back during a late reveal (7)
21 Sudden fear from first of recruits in combat (6)
24 Mariner going to basement and seasoning vessel (4,6)
26 Stop a rose (4)
28 Account for former flat (7)
29 Go off and proceed laboriously in river (7)
30 Obstinate according to poetry (8)
31 Record holder could have a hand in it (6)
DOWN
1 Sit awkwardly in dance in aloofness of manner (8)
2 Handsome woman holding a gun for game (9)
3 One who draws rank (4)
5 General dealer has to trade in credit (8)

Berries for an autumn show

THE AUTUMN colours this year have been fine enough, lasting far beyond their usual span. If I ever have a garden on a neutral soil, away from limestone, I promise myself at least three liquidambar among my beds of camellias and blue autumn gentian.

some upright feature, it stands out like a new hold discovery. The branches grow up and forwards into a large mound whose layers block out all weeds. In the fine garden at Knightsbridge in Devon, I was very impressed by a variegated form whose grey leaves were marked at their tips with cream-white. It is worth hunting for this unfamiliar beauty.



Skimmia japonica

GARDENS TODAY

BY ROBIN LANE FOX

The flock would be worth seeing anyway. These shrubs are reliable in any season and are such a good return to weeds that I would never leave them out.

Beginners will like to be reminded that the cotoneaster which spreads flat against a wall in the shape of a fan is called horizontalis. This year, it has a brighter and bigger crop of berries than I ever recall. It was once the fashion to be patronising about this plant, but if you place it cleverly, it is still most unusual. It is often seen up low north-facing walls where it is quite handsome, especially when you do not prune it too firmly and leave it to its natural contours.

The dark leaves of the common variety strike many of us as too sombre for a shaded site. In winter, they fall off and leave a dark skeleton of branches like a pile of fishbones.

There are many other taller sorts, some of them evergreens, coloured like sea-squirrels from an early age. You can place them with almost anything and enhance it. Some nurseries still sell the precious sort called Joremanzi, the one which has a self-sufficient sex-life and will grow on any soil. This solitary sex is not so common, but is not

They keep good company in shaded beds with prunellas, Solomons Seal and an inter-planting of white lily regale and the excellent and easy tall orange lily henryi. By now, their sex problems are an open secret. Almost everybody knows that most of the females have to have one male to fertilise them and bring them into berry. Sexes will supply separately, sown male and female stock. Like an ideal Muslim husband, one male can take on four females and make a respectable 40-41 life.

Plain japonica is a fine form whose shoots and leaves are particularly fleshy. It does not insist on a lime-free soil, though it probably prefers it. My plants have yellowed leaves in dry weather beneath a wall which drops its lime on to them, but they are still growing apace. In time, they will reach 4 or 5 ft and bear lovely scarlet berries, coloured like sea-squirrels from an early age. You can place them with almost anything and enhance it.

Keep-right Cantastar can win

AT THE last Kempton meeting Royal Jockey jumped well when winning easily from Pardon and Echo Summit, and he returns to the course today for the Fisher Novices Chase (2.15), over the same distance.

In between, Josh Gifford's gelding has been to Cheltenham, where he found himself

the end of last month, is the likely winner of the Spring Three-year-old Hurdle (3.15). Captain T. Forster has sent a batch of horses to this afternoon's meeting at Worcester and it will be surprising if a winner or two is not included among them.

Well, Kempton is right-handed all the way, and the distance of today's Wimbledan Handicap Chase (1.45) is three miles. Unless there is a useful newcomer in the field—and it is conceivable that Better Blessed could fill the bill—Shane Hill will probably win the Motorway Novices Hurdle (1.15). And North Yard, who, following a good initial run when second here to Hill of Slane, was not disgraced when third to Gleason and Hard About at Newbury at

RACING

BY DARE WIGAN

over a fortnight ago, when his gelding was runner-up in Lochus over two miles, Chase. Notebook comments: Cantastar was inclined to jump to the right, but still gained ground in the air. He made most of the running and, although headed three out, rallied strongly on the flat. He should win over a longer trip on a right-handed course.

Well, Kempton is right-handed all the way, and the distance of today's Wimbledan Handicap Chase (1.45) is three miles. Unless there is a useful newcomer in the field—and it is conceivable that Better Blessed could fill the bill—Shane Hill will probably win the Motorway Novices Hurdle (1.15).

Referring to the performance of Cantastar at Lingfield just

Table with 2 columns: Race Name and Details. Includes Kempton, Granada, HTV, and Scottish races.

and June, 12.02 am News and Weather for Scotland, 1.10 am News, 1.10-1.12 am 1 Yeglon, 5.05-5.40 pm. Billdwear, 5.55-6.20 Wales Today, 6.45 Heddwi, 7.05 Hosiari Wyddia, 7.35-8.00 Angels, 12.02 am News and Weather for Wales.

Once Upon a Time, 12.30 Farmhouse Kitchen, 1.00 News, plus FT Index, 1.20 Thames News, 1.30 Armchair Thriller, 2.00 After Noon Plus, 2.45 General Hospital, 3.45 Hobson's Choice, 4.15 Kidsworld, 4.45 Fanfare for Young Musicians, 5.15 Sam.

ATV 1.20 pm ATV Newadok, 5.15 Father, Dear Father, 6.00 ATV Today, 11.25 Kat, 12.25 am In Search of...

Channel 1.20 pm Channel Lunchtime News, What's On Weather, 5.15 Stars On, 6.00 Report at 6.15, 6.00 Vision USA, 10.30 Channel Live News, 11.30 Police Surgeon, 12.25 am Epilogue followed by News and Weather in French.

GRAMPIAN 9.20 am First Thing, 1.20 pm Grampian News Headlines, 5.15 The Beachcombers, 6.00 Grampian Today, 6.15 The Magic of the Mustangs, 11.30 News, 12.30 Grampian Late Night Newsline.

LONDON 9.30 am Schools Programmes, 12.00 Clappa Castle, 12.10 pm

Radio Wavelengths 1 105.8kHz/275m 3 121.5kHz/247m 2 89.8kHz/433m 4 200kHz/1500m 8 95.0kHz/270m

RADIO 1 (a) Stereophonic broadcast, 6.00 am As Radio, 6.00 Ove Le Travis, 6.30 Simon Bates, 11.21 Paul Sumors, 2.00 pm Andy Peebles, 4.31 Kid Jensen from Nilvernum, 7.00 Radio 1 Mailbag, 8.00 Mike Road, 6.50 News, 10.00 John Peel (s), 12.00-6.00 As Radio 2.

RADIO 3 6.55 am Weather, 7.00 News, 7.05 Your Midweek Choice, Record

GRANADA 1.40 pm Granada Reports, 2.00 Live From 2, 5.10 This is Your Night, 6.15 Crossroads, 6.00 Granada Reports, 6.30 Father, Dear Father, 12.10 am George Hamilton.

HTV 1.20 pm Report West Headlines, 1.25 Report West, 5.15 Inki and the Mynah Bird, 5.20 Crossroads, 6.00 Report West, 6.15 Report Wales, 6.20 Channel 4 News, 6.30 HTV Cymru/Wales—At Home General Service except 1.20-1.25 pm Pennewydd Newydd, 1.25-1.30 am 4.45-4.55 Ryder's, 6.00-6.15 Y Dydd, 6.30-7.00 The Mighty Myth, 9.00 Party Political Broadcast by the Conservative Party, 9.10 Racing Game, 9.10 News, 10.40 Documentary: "Flight Line", 11.25 Facts for Life, 11.55 The Andy Williams Show, 12.25 am Close Personal Choice with Ray Smith.

SCOTTISH 1.25 pm News and Road and Weather, 5.10 Corcoran, 5.20 Crossroads, 6.00 Scotland Today, 6.30 Post of Weir, 11.55 Late Call, 12.00 Police Surgeon.

SOUTHERN 1.20 pm Southern News, 2.45 House, 3.15 News, 4.30 Round, 5.15 Dick Tracy Cartoon, 6.20 Crossroads, 6.00 Day by Day, 8.35 Scene Midweek, 11.25 News, 12.00 Overage County, News Extra, 12.00 Overage County, News Extra, 12.00 Overage County, News Extra.

TYNE TEES 5.20 am The Good Word followed by North-East News Headlines, 1.20 pm North-East News and Where the Jobs Are, 5.15 The Brad Bunch, 6.00 Northern Lits, 11.55 North-East News Headlines, 12.00 Barney Miller, 12.30 am Epilogue.

WESTWARD 12.27 pm Gus Honeyburn's Birthdays, 12.20 Westward News Headlines, 6.15 News, 6.30 Westward News, 11.30 Westward Late News, 11.30 Police Surgeon, 12.20 am Faith for Life, 12.25 West County Weather and Shipping Forecast.

YORKSHIRE 1.20 pm Yorkshire News, 5.15 Mr. and Mrs. The Archer, Emily Meyer and Saimont additions, 11.55 The Odd Couple.

Baker's Oaten, 12.00 News, 12.02 pm You and Yours, 12.27 Double Act, 12.28 Weather, 1.00 pm News, 1.00 The World At One, 1.35 A Party Political Broadcast by the Conservative Party, 2.00 News, 2.02 Woman's Hour, 3.00 News, 3.02 Listen With Me!, 3.30 The Archers, 4.15 British News, 4.30 Choral Evensong (s), 5.10 Short Story, 5.00 pm News Magazine, 5.50 Shipping Forecast, 5.55 Weather programme news, 6.00 News, 6.30 My World (s), 7.00 News, 7.05 The Archers, 7.20 Checkpoint, 7.45 The Rich Lectures, 8.15 Pat To Piper (s), 8.45 File On 4, 8.30 Kaleidoscope, 9.25 Weather, 10.00 The World Tonight, 11.30 Three-Piece Sweet (s), 11.0 A Book At Bedtime, 11.05 The Financial World Tonight, 11.30 Today in Parliament, 12.00 News.

BBC Radio London 6.00 am As Radio, 2. 6.30 Rush Hour, 10.03 The Robbie Vincent Telephone Programme, 1.03 pm London Live, 1.03 pm News, 1.03 pm News Desk, 5.35 Look, Stop, Listen, 7.03 Black Londoners, 8.00 Question Time, 9.00-9.00 am Join Radio 2.

London Broadcasting 6.00 am AM with Bob Heines and Ouy Cameron, 10.00 The Brian Hayes Show, 1.00 pm LBC Reports, 3.00 George Gair's 3 O'Clock Call, 4.00 LBC News, 5.00 Jazz After Eight with Keith Howall, 9.00 Nightline, 12.00 BBC Reports Midnight, 1.00 am Night Line, 4.00 Jazz in Stereo, 5.00 Morning Music.

Capital Radio 6.00 am Graham Down's Breakfast Show (s), 10.45 Mike Allen (s), 12.00 Dave (s), 1.00 pm Royal Scots, 7.00 London Today (s), 7.30 Ric Davie's Open Line (s), 8.00 Nicky Holm's 9 O'Clock Call, 11.05 News (s), 11.05 Today's News, 11.05 News (s), 2.00 am Duncan Johnson's Night Flight (s).

ENTERTAINMENT GUIDE

OPERA & BALLET COLISEUM, Lond. CC 222 8258. Reservations 222 3161. ENGLISH NATIONAL OPERA, Lond. CC 222 8258. Reservations 222 3161. THE ROYAL OPERA HOUSE, Lond. CC 222 8258. Reservations 222 3161.

THEATRES NATIONAL THEATRE, 'C' CC 222 2252. OLIVER! (Nov. 21-22). THE BIRDIE (Nov. 23-24). THE BIRDIE (Nov. 25-26). THE BIRDIE (Nov. 27-28).

CINEMAS CLASSIC POLY ORCHARD CIRCLE, Lond. CC 222 8258. THE LORD OF THE RINGS (Nov. 21-22). THE LORD OF THE RINGS (Nov. 23-24). THE LORD OF THE RINGS (Nov. 25-26).

ART GALLERIES ANTHONY COFFEY, 9 Dorset St. New Bond St., W.1. KEITH ARNOLD, 100-102, W.1. YANIS ANAT, 51 Old Bond St., W.1.

CLUBS EVE has outlived the others because of a policy of fair play and value for money. 1969-70. 1969-70. 1969-70. 1969-70.

PERSONAL SCOTCH SMOKED SALMON 1 1/2 lb side £10.00 2 1/2 lb side £12.00 3 1/2 lb side £14.00

CLASSIFIED ADVERTISEMENT RATES Commercial and Industrial: 5.00 per column per line per week. Residential Property: 7.50 per column per line per week.

SMOKED TROUT AND MACKEREL 4 x 5 oz Smoked Trout £3.00 2 x 12 oz Smoked Mackerel £2.00

WINNERS OF THE 1979-80 FOOTBALL LEAGUE CUP: Ipswich Town (1), 2nd: Queens Park Rangers (2), 3rd: Reading (3), 4th: Luton Town (4).

WINNERS OF THE 1979-80 FOOTBALL LEAGUE CUP: Ipswich Town (1), 2nd: Queens Park Rangers (2), 3rd: Reading (3), 4th: Luton Town (4).

WINNERS OF THE 1979-80 FOOTBALL LEAGUE CUP: Ipswich Town (1), 2nd: Queens Park Rangers (2), 3rd: Reading (3), 4th: Luton Town (4).

WINNERS OF THE 1979-80 FOOTBALL LEAGUE CUP: Ipswich Town (1), 2nd: Queens Park Rangers (2), 3rd: Reading (3), 4th: Luton Town (4).

WINNERS OF THE 1979-80 FOOTBALL LEAGUE CUP: Ipswich Town (1), 2nd: Queens Park Rangers (2), 3rd: Reading (3), 4th: Luton Town (4).

WINNERS OF THE 1979-80 FOOTBALL LEAGUE CUP: Ipswich Town (1), 2nd: Queens Park Rangers (2), 3rd: Reading (3), 4th: Luton Town (4).

WINNERS OF THE 1979-80 FOOTBALL LEAGUE CUP: Ipswich Town (1), 2nd: Queens Park Rangers (2), 3rd: Reading (3), 4th: Luton Town (4).

WINNERS OF THE 1979-80 FOOTBALL LEAGUE CUP: Ipswich Town (1), 2nd: Queens Park Rangers (2), 3rd: Reading (3), 4th: Luton Town (4).

WINNERS OF THE 1979-80 FOOTBALL LEAGUE CUP: Ipswich Town (1), 2nd: Queens Park Rangers (2), 3rd: Reading (3), 4th: Luton Town (4).

WINNERS OF THE 1979-80 FOOTBALL LEAGUE CUP: Ipswich Town (1), 2nd: Queens Park Rangers (2), 3rd: Reading (3), 4th: Luton Town (4).

WINNERS OF THE 1979-80 FOOTBALL LEAGUE CUP: Ipswich Town (1), 2nd: Queens Park Rangers (2), 3rd: Reading (3), 4th: Luton Town (4).

WINNERS OF THE 1979-80 FOOTBALL LEAGUE CUP: Ipswich Town (1), 2nd: Queens Park Rangers (2), 3rd: Reading (3), 4th: Luton Town (4).

WINNERS OF THE 1979-80 FOOTBALL LEAGUE CUP: Ipswich Town (1), 2nd: Queens Park Rangers (2), 3rd: Reading (3), 4th: Luton Town (4).

WINNERS OF THE 1979-80 FOOTBALL LEAGUE CUP: Ipswich Town (1), 2nd: Queens Park Rangers (2), 3rd: Reading (3), 4th: Luton Town (4).

WINNERS OF THE 1979-80 FOOTBALL LEAGUE CUP: Ipswich Town (1), 2nd: Queens Park Rangers (2), 3rd: Reading (3), 4th: Luton Town (4).

WINNERS OF THE 1979-80 FOOTBALL LEAGUE CUP: Ipswich Town (1), 2nd: Queens Park Rangers (2), 3rd: Reading (3), 4th: Luton Town (4).

WINNERS OF THE 1979-80 FOOTBALL LEAGUE CUP: Ipswich Town (1), 2nd: Queens Park Rangers (2), 3rd: Reading (3), 4th: Luton Town (4).

WINNERS OF THE 1979-80 FOOTBALL LEAGUE CUP: Ipswich Town (1), 2nd: Queens Park Rangers (2), 3rd: Reading (3), 4th: Luton Town (4).

WINNERS OF THE 1979-80 FOOTBALL LEAGUE CUP: Ipswich Town (1), 2nd: Queens Park Rangers (2), 3rd: Reading (3), 4th: Luton Town (4).

THE ARTS

هكذا من النهر

Broadway

Oldies by FRANK LIPSIUS

Anyone wandering into the precinct of Broadway would be excused for assuming that the world stood still some years ago. Even the new plays have an old-fashioned flavour that reflects more than the influence of a successful Broadway show like Annie on the rest of the theatre.

The effort to reconstruct the old days, in style if not actual setting, went so far as to have Tony Perkins as the playwright because, according to the playbill, his father, the actor Osgood Perkins, would have been cast in the part in an earlier era.

Bernard Slade, whose forte seemed to be the deft transformation of a mere melodrama into humorous, touching and personal complications, does not help the actors to wriggle out of their pat and mechanical minuets. Mia Farrow, making her Broadway debut as the collaborator, has to depend too much on props like an old baseball cap for her innocent charm.



Ann Miller and Mickey Rooney in 'Sugar Babies'

Purcell Room

Russell Smythe by MAX LOPPERT

Russell Smythe is the Welsh National Opera's resident Papa and Billy Budd, and, as he proved in Monday's South Bank debut recital, a charming cultivated, and poetic young singer. His was, indeed, the sort of debut recital one hopes most will be (and so few are)—both sane and discriminating in choice of programme, easy in vocal flow, an introduction to a performer of real, and already realised, qualities.

He began with four of what used, not so long ago, to be known as arie mistiche—"Gia il sole dal Gange," "Amarilli, Caldarà, Legrenzi; and, unlike Luigi Alva in similar vein three days earlier, transformed them into arie contemporanee, music that was "in period" by being alive and sparkling. The line was taut, ornaments rippled out of it with apparent spontaneity, the attack was keen. Here and throughout the recital there was marked interchange between singer and pianist, Graham Johnson on his most quick-witted and sympathetic form; the dynamics and proportions of the arias and of four Haydn concertos (including a particularly happy account of "Symphony") had been considered jointly, not arrived at fortuitously, and the partnership was commensurately rewarding. Mr. Smythe has not, or not yet, developed quite the density of tone for Brahms, nor a fully satisfactory method of suggesting darker timbres without possessing them. His

unwillingness to fake these things, and his reliance on forwardly uttered "M" words are secretive about it. Through no fault of theirs, beyond perhaps inexperience with Mahler, Monday's concert did not flatter them. They rose strongly to climaxes, supplied full, solid tone where it was needed, betrayed no technical uncertainty: the net effect was nevertheless mild. They began with Medea's Meditation and Dance of Vengeance, Samuel Barber's 1955 revision of part of a mocha earlier score written for Martha Graham's company. The wheel of fashion happens to have left much of Barber's music at a low point just now—what is routine and dated in it is easier to bear than his real personal impulse: and Antal Dorati, Detroit's resident conductor, was almost too loyally careful with the piece. Its edge of expressionist hysteria counts for more than its construction, but it was blunted here in a performance which made the inner works of the score all too tamely evident. Equal care with the orchestral part of the Mendelssohn Violin Concerto was praiseworthy and much more to the point; but the

Television

A fruitful autumn season

by CHRIS DUNKLEY

We may as well resign ourselves to another summer-time of rubbish and repeats on television in 1980. The nation simply doesn't seem to possess enough talent — certainly not enough trained talent, anyway — to sustain a truly high standard on three television channels throughout the year. (With the opening of yet another network, the second commercial channel, the good stuff will presumably be spread even thinner, though that is not due to happen until November 1982.)

There are two ways broadcasters can deal with this shortage — mix the high-grade material with the mediocre and spread it evenly through the year, or save the best for the autumn and winter when audiences are very slightly larger, but thereby ensure that there is a disproportionately large amount of rubbish in the summer. They have always chosen the second course, and there are no signs of change, hence the pessimistic long-term forecast. On the bright side, however, this does, of course, mean particularly rich autumns and, sure enough, we now find ourselves in the middle of another. The present schedules are proving especially strong in drama and topical comedy.

To praise television for its drama so soon after using this column to hemoen the absence on television of the well-made play may seem capricious, but it is other types of drama which have been so impressive recently.

BBC's "Play For Today" has given us two powerful examples of social realism which, though either spread much joy or provided much "entertainment" in the popular sense, did represent drama of a very high order. Just a Boy and Game, by Peter McDougall (who gave us Just Another Saturday, about a young Glasgow drum major) was dark and distressing. It depicted the useless, drunken and violent lives of a couple of Clydeside oo-hoppers named Jake and Dancer, and it seemed to be intent upon the itemisation of depravity.

But if you stayed with it all the way, it turned out to be a Gorbals Western, complete with a taut, penultimate sequence raising the tension dramatically in a billiard hall, and then the high-noon walkdown, transposed here into a vicious hand-to-hand fight in the dark, in the rain, on a container dock which — typically — continued to operate. John McKellen's direction, Elmer Cossey's relentlessly unromantic camerawork, and the

acting from Frankie Miller and Ken Hutchinson were all masterly, even if the result did look like an invitation to manic depression.

G. F. Newman's Billy was not much happier, yet it was rather more constructive. Like the same author's Low And Order it used ultra naturalistic drama to bring together those causes and results of a social phenomenon which usually pierce the smooth surface of our society only discretely: child prostitution was associated with poor education, poor housing, poor work prospects, and seen as resulting in victimisation for the batterer in prison and unhappiness for all involved. It was far from "soft" on the subject, and did not even hint at any solution.

In this the social realism of today's television differs markedly from that of the Cahya era, when television was only too ready to identify and blame specific villains. Billy's main virtue was its gathering together into a single play what could never be encompassed in a documentary of the same length. London Weekend's documentary series about social workers, with the oddly pejorative title The Do Gooders, is notable for taking a similarly sceptical and non-aligned view: the first series of its sort that I can remember which has not automatically championed the social workers.

Other admirable drama — in the last week alone — has included BBC's version of Stoppard's Every Good Boy Deserves Favour which, though or as scintillatingly brilliant as some have suggested (many of the one-liners would be quite suitable for the Les Dornan Show) did make a worthy attack on the particularly nasty Russian habit of locking up dissidents in mental hospitals; Timothy West's fond and hilarious portrayal of Beethoven, also on BBC 2 and the continuation of Alick Rowe's Two People.

The first episode of this LWT production left fears that it might develop into little more than a Nosegay Of Barbed Wire. In fact the characterisation of the parents and teachers as well as the school-age lovers is coming through very strongly, and it is proving to be one of the best contemporary drama serials for a long time.

The season's strength in topical comedy is mainly a BBC characteristic, though ITV is still trying with LWT's Saturday Night People. There is a certain fascination in watching the desperately determined attempts of the Observer's witty critic to become precisely what he professes to despise: the telly personality famous for



Ben Kingsley and Ian McKellen in 'Every Good Boy Deserves Favour'

being well known — and in guessing each week how much further his residual hate will have retreated into his head.

There is occasional unwitting comedy, too, as when the woman with the most awful voice in broadcasting dug a verbal pit to bury someone else, supposedly for misusing the word "prestigious," and then fell into it teeth first talking about "another phenomena" herself.

But since the parasitic nature of the nastier newspaper gossip columns is so unpleasant, how are we to describe this programme which habitually sucks the blood of those parasites, excretes little but bile as a result, and then holds its nose disdainfully while laying out its own droppings for public view? "Hypocrisy" would seem a fair start.

The BBC's topical comedy has been led by Not The Nine O'Clock News which, surprisingly but pleasingly, improved throughout its run. (Up to last week anyway, this column having been written before transmission of last night's edition which was, sadly, the last in the series.) The programme's style — inevitably, perhaps — owed debts to both TW3 and Monty Python. Like the former and unlike the latter its team split very noticeably into first and second divisions, Rowan Atkinson and Pamela Stephenson being two of the most gifted and refreshing

humourists to have arrived in the last few years.

The two funniest sketches anywhere on television last week were Atkinson's Anglophobe Frenchman expounding attitudes to Britain and the EEC ("We want to bleed your crummy little island until it dies of anaemia") and Stephenson's Miss World contestant (What does she like doing in her spare time? "Screwing").

But NTNNG has not been the only series. The very variable Friday Night Saturday Morning has had inspired moments, and last week gave its whole edition to the present Cambridge Footlights team. This proved that in the derivative world of revue the last quarter century has been pretty uneventful apart from the beacon of Beyond The Fringe which blazed briefly 18 years ago, and gave birth to Dud and Pete. Yet there was enough talent in the current team to promise good things to come if only somebody will nurture it.

BBC2 has also started an oddly idiosyncratic little show made by the cockney architect Doric Lightbouse and passed off under the anagrammatic title Richard Stilgou. His guest spots are, to say the least, variable: Patrick Moore on xylophone was a scream, but Christopher Timothy's would-be pathetic Master Pestry monologue just did not work. However, it is Doric's own topical songs which make the show: they all scan,

they all rhyme, they are all useful, and they usually have a very sharp point. No other series which has tried the idea (TW3 and That's Life come to mind) could boast as much.

Whatever the strength of its autumn season, however, television and especially the BBC is also suffering from a remarkable weakness in current affairs. True, ITV is hardly having its liveliest season ever, but at least Weekend World returned on Sunday (with a typically worthy lecture from Brian Walden on Conservative economic policies which would have conveyed as much on radio, though it would have attracted a different audience there).

True, too, there is sporadic evidence of efforts at the BBC: Richard Kershaw's Newsweek special on the Rhodesia talks last week was a brave topical venture, and Monday's Panorama though hit by a strike managed a useful if over-long emergency piece on Iran. But without Newsweek which still languishes unlaunched, the BBC has no daily grown up current affairs programme and the effect is becoming embarrassing.

When an organisation with the responsibility and reputation of the BBC feels that the best it can do for the public during Henry Kissinger's British visit is to put him on the Parkinson show, something has gone seriously wrong.

Festival Hall

Detroit Symphony

by DAVID MURRAY

The Detroit Symphony is plainly a good, efficient orchestra (though if they have a collective pianissimo in their range, they are secretive about it). Through no fault of theirs, beyond perhaps inexperience with Mahler, Monday's concert did not flatter them. They rose strongly to climaxes, supplied full, solid tone where it was needed, betrayed no technical uncertainty: the net effect was nevertheless mild.

They began with Medea's Meditation and Dance of Vengeance, Samuel Barber's 1955 revision of part of a mocha earlier score written for Martha Graham's company. The wheel of fashion happens to have left much of Barber's music at a low point just now—what is routine and dated in it is easier to bear than his real personal impulse: and Antal Dorati, Detroit's resident conductor, was almost too loyally careful with the piece. Its edge of expressionist hysteria counts for more than its construction, but it was blunted here in a performance which made the inner works of the score all too tamely evident. Equal care with the orchestral part of the Mendelssohn Violin Concerto was praiseworthy and much more to the point; but the

soloist was Yehudi Menuhin in one of his most wayward moods, and it was an unconvincing affair. There were lovely passages, but so much trimming of rests that Menuhin often seemed to be having a quick private run-through of his part. One felt a dream-like horror during the first-movement recapitulation as he gained steadily upon the orchestra until he was one full head ahead.

Mahler's First Symphony displayed a general competence, and extreme innocence about vital details. Most of the thematic passages for solo instruments or single groups were seriously under-characterised, though never badly played, and Mahler's whole landscape became excessively featureless. At the brisk tempo Dorati chose for the Funeral March, no other result could have been expected; the Ländler, on the other hand, was dead and unremittently loud. Every seam in the music—and there are many; Mahler had not yet acquired his later skill with transitions—was left badly exposed. Newcomers to the composer may well have thought it a brave performance of a strangely inept work.

Wigmore Hall

Heutling Quartet by DOMINIC GILL

The Heutling are a distinguished German string quartet more familiar to us in this country on record (their Mozart quintets and quartets for EMI come directly to mind) than in person. They have played together for more than 20 years, and their virtues are very much those associated with the mutual sensitivities horn of unostentatious without the least trace of "stage" presence, urbane, fine-tuned, even-toned, even-tempered—gentle virtues, and no less substantial for that.

They began their programme on Monday night with the late, great Haydn G major quartet op. 77: a deft performance of lively courtesy, lively exchange—in the first and last movements especially, where the first violin holds the stage, not without brilliance. Werner Heutling and Koorad Haesler gave firm, full-throated weight to top and bottom lines in the adagio; the minuet was relaxed and bright, both in rhythm and timbre; the finale quietly exuberant.

The Heutling's account of Alban Berg's Op. 3, which followed, was as carefully balanced and graded as their Haydn; but here for the first time their expressive sounded cautious, their treatment of the composer's indicated partizantzi self-conscious, as if the device were foreign to them, and


mildly distasteful; the whole of the central climax of the second part, robust as it was, suffered similar expressive constraints. One sensed fire, without commitment: a performance beautifully observed, rather than profoundly felt.

But from the opening bars of Schubert's G major quartet D987 it was clear that the Heutling were back on home ground: familiarity in the smoothness of phrase and ease of utterance, renewed urgency in the lyrical line. It was a fine performance, low-keyed in a certain measure,

but full of passing delights, and strongly made; directions were clear, and the shape was very firm. The finale was a real climax: not a fast-burning fire, but a presto landscape lit with a calm radiance, and in its own way just as affecting.

But from the opening bars of Schubert's G major quartet D987 it was clear that the Heutling were back on home ground: familiarity in the smoothness of phrase and ease of utterance, renewed urgency in the lyrical line. It was a fine performance, low-keyed in a certain measure,

Darrell's 'Cinderella' The Scottish Ballet's tenth anniversary year culminates in the production of Peter Darrell's new three act ballet Cinderella. The premiere will be on December 7 at His Majesty's Theatre, Aberdeen.



 The quarterly report as of

 30th September 1979 of


Leveraged Capital Holdings N.V.

 has been published and may be obtained from

PIERSON, HELDRING & PIERSON N.V.

 Amsterdam.

POST-IMPRESSIONISM



ROYAL ACADEMY OF ARTS

 Piccadilly, London W1, 17th November - 16th March, Admission £2.00

 (61 students, pensioners and students under 145 on Sundays)

 Pre-booked evening visits £3.50, Open 10 a.m. - 6 p.m.

 daily including Saturday and Sunday, late night Wednesday until 8 p.m.

 Generously supported by IBM United Kingdom Limited.

Forget Winter Come to Sicily



 Our friendly sunny island in the Mediterranean is just the ideal place to give yourself a break from winter: its mild spring climate, hotels which are not overcrowded and prices attractively low are only a few of the many advantages Sicily offers in winter. A flight of only a few hours brings you to Palermo, Catania or Trapani. From here you continue best by hired car (Avis, Hertz, Europcar) or by touring bus. Highways totalling 450 miles (of which 300 tollfree) and good roads connect the most interesting beautyspots on the island: Palermo, Segesta, Selinunte, Agrigento, Taormina, Catania. Unique museums, Greek theatres, Byzantine mosaics, Arabian-Norman cathedrals, baroque churches and typical white villages clustered on hilltops will place you in a different fascinating world. The warm hospitality of the Sicilians, the overwhelming landscape, and of course the savoury kitchen and delicious wines, it all will make you happy you came to Sicily.

For programs contact travel agents and ALITALIA.

 General information: Italian State Tourist Office (ENIT), London.

FINANCIAL TIMES

BRICKEN HOUSE, CANNON STREET, LONDON EC3A 3BY

Telephone: 01-255 5000

Wednesday November 21 1979

NEED FOR INNOVATION TO COMBAT FLAGGING PRODUCTIVITY

Now America needs its own 'miracle'

By CHRISTOPHER LORENZ, Management Editor

Anglo-French attitudes

THE ARGUMENTS between London and Paris over lamb and the EEC budget should not obscure the fact that Anglo-French relations are otherwise in good shape.

Yet it is precisely inside that Community that the greatest difficulties have once again arisen between the two countries.

For a country to defy the European Court, on whatever issue, for the first time in the Community's history, sets an extremely dangerous precedent.

But the budgetary dispute between Britain and her partners, and France in particular, is potentially even more serious for the Community.

A new dialogue for Ulster

THE CONFERENCE on Northern Ireland proposed yesterday by the Government could turn into the first serious attempt since Mr. Heath's power-sharing executive collapsed, to break down the stubborn secretarism that has left Northern Ireland floundering in a political vacuum for the past ten years.

Security The Government has taken three important lessons to heart. Firstly, it has recognised that tight security, while essential, is not, in itself, a solution to the problem.

Secondly, the Government has accepted that there is no point in aiming at grandiose solutions. It is impossible to leap at once from the present emergency measures to the precise constitutional arrangements which may ultimately be desirable.

Thirdly, and perhaps most importantly, Mr. Humphrey Atkins, the Northern Ireland Secretary, has stated from the outset that "it would be folly to try to operate a system that does not have the support of a substantial body of opinion from both sides of the community."

At the very least the Government may find sufficient support to create a consultative assembly, without legislative or executive powers, which could scrutinise and comment on Westminster's administration of Northern Ireland, and put forward new ideas.

TO ANYONE but the most assiduous student of the American economy, it comes as a shock to learn that, over the past 18 years, labour productivity in U.S. industry has grown less than half as fast as Italy's, and even more slowly than Britain's—not to speak, of Japan, of France, Germany and

As the OECD pointed out in its 1979 Survey of the U.S. Economy, published last week, the situation has worsened in the past few years, with the American productivity slowdown capping that of almost every other leading member country.

Like most other expert economic bodies, the OECD sees productivity growth "as the only way to achieve sustained increases in real income." But, like them, it is puzzled about what can be done to improve the dire performance of the U.S.

The problem may have been puzzling the pundits last week, but it is only in the past year or so that most American businessmen and politicians have come to recognise its seriousness.

Now, as Samuel Brittan reported in his "Economic Viewpoint" on November 8, it is one of the three main topics on the lips of every Washington official, after the oil crisis and the Carter-Kennedy election race.

The latter has a direct bearing on the productivity issue, since both candidates for the Democratic nomination are already debating the problem in public, and show every sign of continuing to do so as their battle grows more intense.

It is not the held productivity figures themselves which have led to public awareness of the problem—though the statistics are depressing, as the graphs emphasise. Instead, as so often in politics, a crucial but complex issue has been brought to general notice by a combination of associated troubles that are obviously dramatic.

In this case they include the yawning U.S. trade gap, the growing number of prime industrial sectors—even advanced ones like aircraft and electronics—which are suffering from foreign competition, and, of course, the tottering dollar.

In the past two months, both President Carter and Senator Kennedy have suggested various ways in which the productivity problem might be resolved by stimulating more technological innovation in industry. Their proposals concern not only the radical, "breakthrough" type of innovation which gave the U.S. a massive lead in such fields as aerospace and microprocessors, but the more gradual and less risky variety at which others excel, particu-

larly the much-feared Germans and Japanese.

The President's initial package of executive measures and legislative proposals was announced in late October, after an 18-month review of the Federal Government's policy towards innovation, in which industry was extensively consulted. The package has not been universally acclaimed. But some of the criticisms were misplaced, and the President is expected to answer others in his proposals for the 1981 Federal Budget, to be posted early in 1980.

Not surprisingly in an election year, the Budget is expected to contain all sorts of tax cuts, including—as the President himself has hinted—additional incentives for investment in innovation. These could conceivably extend to the encouragement of investments by individuals in innovative ventures, as well as more attractive provisions for capital expenditure by corporations. Both were demanded from all sides during the policy review.

For once in his presidential career, Jimmy Carter may not be faced with a wholly recalcitrant Congress on this issue. Well over a dozen innovation-boosting Bills are currently before it or under preparation. All owe their existence to the growing concern about the subject among many Congressmen and Senators.

Septics may be forgiven for wondering if all this will make much of a dent in the productivity problem. After all, technological factors constitute only one of the influences on productivity.

Difference of awareness

Not only that, but there have been many attempts in the U.S. during the past 15 years or so to produce an ambitious amalgam of measures to stimulate industrial innovation. All have failed, to a greater or lesser degree, either at legislative hurdles or in practice. What's new this time?

The first difference is the perceived urgency of the situation. Not only has the slide in underlying productivity growth continued steadily since the mid-1960s, as the second graph shows, but one company after another, and several entire industrial sectors, have begun to succumb to the onslaught of foreign competition.

As a result, there is a growing tendency for American businessmen and politicians—even ardent opponents of government intervention—to demand that Washington should emulate some of the ways in which Bonn, Paris and Tokyo encourage their national industries towards better technology and greater innovation. The fact that many of these incentives were originally conceived to help Germany, France and Japan match U.S.

competitiveness is of little relevance to this line of argument.

The growing pressure reflects the second key respect in which the current series of initiatives about productivity and innovation show greater promise than past proposals: the much-improved general understanding of the role of innovation as a motor of productivity growth, and also of the nature of the innovative process itself.

Carter policy review study

The latest international academic research into the links between innovation and productivity is comprehensively covered by a study which formed part of President Carter's policy review, and which has just been published under the title of "Technological Innovation for a Dynamic Economy".

Written by several members of the Massachusetts Institute of Technology, with contributions from elsewhere, including the Harvard Business School, its analysis and conclusions were debated last month at a MIT symposium attended by 200 leading U.S. businessmen, politicians, academics, government officials and trade unionists.

To the visitor from Europe, one of the most striking things about the discussion was the lack of evidence—either from academic study or from managers' impressions—that trade union attitudes and practices have contributed much to the slowdown in U.S. productivity growth.

The same applies to the book. In a review of research into U.S. labour productivity, Clinton Boardman of the Harvard Business School sets out the evidence to show that the power of organised labour has actually diminished during the past decade.

The tenor of the book, and the symposium discussion, is reflected by this excerpt: "Productivity improvements in the long run do not come about because people work harder—they come about because people work 'smarter'. And working 'smarter' is heavily dependent on working with better technology."

This is not to suggest that the MIT team insists that new technology is the only driving force behind better productivity in the U.S. Far from it. Most of its members would agree with all but one of four key points outlined in last week's OECD report as possible reasons for the slump in productivity growth:

- A large increase in the number of inexperienced workers in the labour force;
• Increased government regulation of specific industries, and of safety, health and environmental protection in general;
• Slower rates of private investment, leading to a decline in

the growth of the capital/labour ratio; and

• A reduction in research and development expenditure as a proportion of Gross National Product.

It is with these points—particularly the middle two—that many of the Bills in Congress are concerned; so was the President's policy review, thanks to the guiding hands of his Science Advisor and the Department of Commerce.

In common with the MIT team, these various interests differ from the OECD's analysis about one key issue; the significance of R and D to productivity growth.

There are several facets to this disagreement. One of the MIT authors, Christopher Hill, argues that the well-publicised fall in American R and D over recent years may not have had much effect on the country's trade position, since much of the decline has been in spending on military and space projects, rather than in basic research or R and D by industry for capital and consumer goods markets.

But there is a more fundamental disagreement with the OECD's emphasis on R and D. For generations, companies and governments throughout the industrialised world have thought that the surest way to promote the development and application of new technology in industry is to spend more on R and D. Repeatedly, this often expensive approach has produced only commercial lame ducks and a waste of human skills and financial resources. Concorde is the most obvious example, but there are thousands of less dramatic ones.

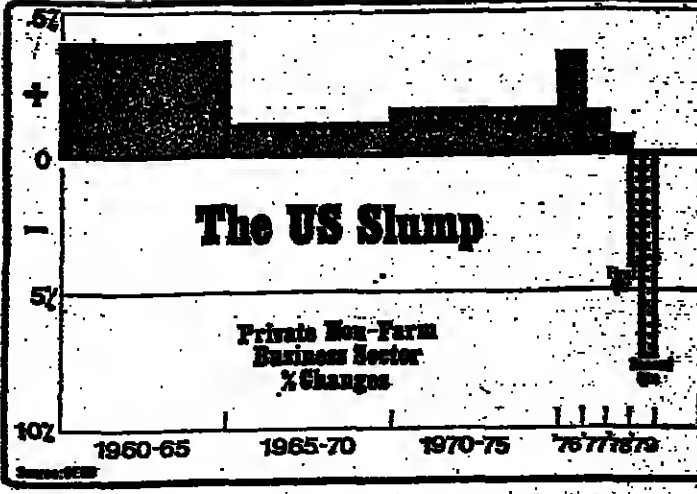
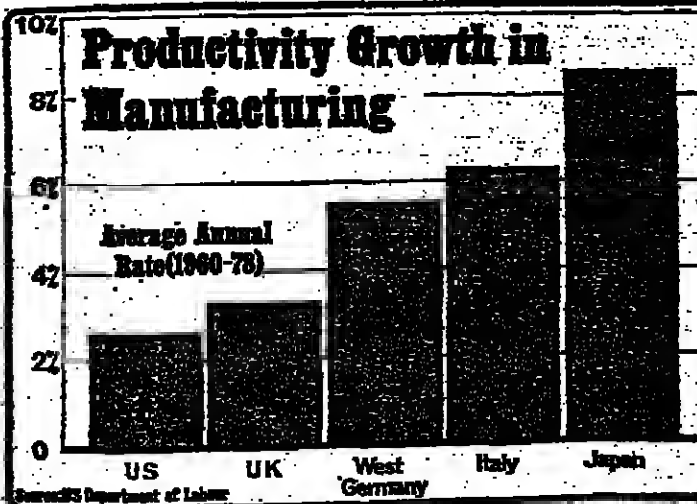
It is only in the past few years that the more analytical members of the innovation fraternity (both academics and businessmen) have succeeded in persuading company boards and government committees that R and D is only a small part of the innovation process.

All of them, and the politicians in Washington who are tabling their Bills, now take innovation to cover not only the creation (or "invention") and development of a new product, or process, but also its successful manufacture and marketing.

Decision-taking environment

This broad definition is no mere matter of semantics. It leads them to look for ways of creating a more positive environment for rapid decision-taking (and risk-taking) at every stage in the complex innovation process, not just the initial—and distinct—ones of Research and Development.

Like everyone else, of course, the innovation "lobby" would dearly love to see a fall in inflation. But its main demands are both more realistic and specific. The sort of short-term



changes in government policy for which many top U.S. businessmen have been pressing were outlined to the MIT symposium by Dr. Thomas Vanderschuer, who earlier this month left his post as chief economist of General Electric to become the new head of GTE, the \$9bn electronics and telecommunications group.

First came tax incentives. Challenging those people who argue that tax policy has little impact in today's uncertain business climate, Dr. Vanderschuer pointed out that last year's reduction in U.S. capital gains tax had revived the supply of venture capital for new companies from the near-zero level at which it had stagnated since the early 1970s.

His second demand was for a review of the way regulatory policies are framed and applied. The third proposal was for a series of changes to the U.S. patent system.

President Carter has responded with interest on the second and third points, and on the first. By early next month nearly two dozen executive orders will have been sent to a whole series of federal government departments and agencies, directing a streamlining of their everyday dealings with industry, as well as the initiation of new spending programmes to stimulate innovation, in both large and small firms.

The amount of new federal spending will be tiny: only \$50m, although a total of \$600m will be redirected from many existing R and D programmes into a few carefully-selected ones.

These include: the promotion of co-operative R and D projects between industry and universities; the support of R and D in innovative small firms; and the sponsorship of development of "generic technologies" (like robotics) which are relevant to a wide range of industries. But to judge the proposals by their money values misses the point about the breadth of the innovation process, with R and D just a small part. The President's initiatives represent a first attempt to remove some of the barriers to innovation which have been created by governmental policies and practices.

As Dr. Vanderschuer and others have pointed out, one of the most pernicious (yet

generally unperceived) disincentives has been the weakness of the patent system, and the inconsistency with which patents are interpreted in the various courts.

President Carter has already submitted to Congress a Bill creating a central court of appeal, and will send several ancillary ones up to Capitol Hill in a few weeks' time. Since several Congressmen's own Bills also deal with the subject, consideration of the President's proposals is unlikely to be delayed for long.

To America's industrial competitors, the most perceptible change in U.S. policy would be the introduction of some of the selective tax incentives suggested during the 18-month innovation policy review.

Awaiting the outcome

The world will now have to await the outcome of this winter's Budget wrangling, which will be heavily guided by election considerations, before it knows whether any of these specific measures will be approved (the Budget will almost certainly contain incentives for capital investment in general). In the meantime, we are faced with four facts:

- Politicians of every persuasion are becoming increasingly convinced that excessive Government action will be needed to restart America's technological lead in the world;
• President Carter is starting to give U.S. industry many of the bureaucratic reforms it asked for;
• He considers this only "a first step";
• Senator Kennedy, his most formidable challenger at present, is at least equally committed to stimulating innovation through Government action, as the only obvious way of rekindling growth in productivity.
• Technological Innovation for a Dynamic Economy, Edited by Christopher T. Hill and James M. Utterback, Pergamon Policy Studies, Pergamon Press, Headington Hill Hall, Oxford OX3 0BW, England. Price \$25 hardback, \$10 paperback.

MEN AND MATTERS

Dipping a £25m toe into Dockland

If the people of London's decaying docklands lived off discarded development schemes, they would be fat and very prosperous. As it is, they are hardened to disappointment and likely to be unmoved by the presentation of yet another ambitious plan for transforming their lot.

Whether this optimistic interpretation of the DUP's support for the conference proves to be justified or not, Rev. Paisley's presence will put pressure on the Official Unionist Party to participate as well. If it boycotts the conference the OUP, whose constituency is traditionally more moderate than Rev. Paisley's, will be in danger of being outflanked on both the extremist and the moderate wings. In a country where the natural political forces seem to have pushed towards the extremes for decades, any development that encourages the two main protestant parties to fight for the political centre is vitally important.

Provided the catholic parties agree to attend and the DUP does not pull out, the conference should have sufficient legitimacy to enable the Government to consider new legislation if any initiative can be agreed. Even if there is no explicit agreement the discussions may throw up ideas for a compromise on which both sides would ultimately acquiesce, without endorsing it publicly.

At the very least the Government may find sufficient support to create a consultative assembly, without legislative or executive powers, which could scrutinise and comment on Westminster's administration of Northern Ireland, and put forward new ideas. An attempt to break the present deadlock is certainly worth making, but no one should be surprised if it fails.

lamb or prawns," the French Embassy tells me.

Who's counting?

Welcome to the 15th century—if it is the 15th century, that is. According to the Islamic calendar, the prophet Muhammad left Mecca for Medina 1,400 years ago yesterday, and the Muslim world claims that with this as its starting point, we have now left the 14th century safely behind. In the West, such issues are less clear-cut. On January 1st 1900, for example, most people assumed that the 20th century had dawned at last and celebrated accordingly. Over a refining glass of what appeared to be orange juice, one celebrant of the new Islamic century told me yesterday that this had been a mistake and that the true day should have been 1901.

Muslims are quite undeterred by this infidel logic. Salem Azzam, secretary general of the Islamic Council of Europe, tells me that Arab scholars count from zero to one as being the first mathematical advance, whereas in the West we start from one and move on to two. He argues that since Islam invented the concept of zero, Islamic scholars ought to know. He has a point—without the Arabs we would still be in the year MCMLXXXIX.

Leslie's view

Whatever the turmoil in the financial markets, there is no shortage of people able to keep a clear perspective on who and what was responsible for the rot setting in in the first place.

Long before the fringe banking crisis broke upon us in 1974 the Bank of England foresaw the dangers of disintermediation which increasingly ossified the banking system proper," Lord O'Brien of Loughborough declared yesterday. "One of the main objects of the radical changes introduced by

Competition and Credit Control was to arrest and gradually reverse these unhealthy developments. It was a tragedy that this necessarily delicate process of readjustment was totally upset by a notably imprudent expansion of the economy followed by the inevitable harsh restraint."

Some of Lord O'Brien's audience scratched their heads to try and remember when the erstwhile Governor of the Bank—at that time plain Sir Leslie—had given the country the benefit of his insight into these problems when they were still at the looming stage.

Polls apart

Polling today in Belize, the Central American colony which used to be called British Honduras, could mean the end of the road for Premier George Price, one of the Commonwealth's longest-lasting political leaders and certainly its most frugal. His People's United Party may well lose power in the tiny 18 seat National Assembly in Belmopan, the scaled-down, British-built version of Brasilia which serves as capital. It boasts a population of 3,500 during the working week and a mere 1,000 at weekends.

Price, a devout Catholic who once studied for the priesthood, never seems to have sloughed off the austerity of his early days in the seminary. The Miami Herald recently sent a reporter down to interview him and printed an incredulous story about the Premier keeping his personal correspondence on file in an old shoe box. Still unmarried, Price survives on one of the smallest stipends any Commonwealth premier draws, the equivalent in Belizean dollars of slightly over £2,000 a year.

Congratulations to Penelope Keith, an actress to the manner born.



WORKERS' REACTIONS TO THE CLOSURE PLANS AT SHOTTON AND CORBY

BY PHILIP BASSETT

Steel communities with different dilemmas

STEELWORKERS at Corby in Northamptonshire and Shotton in North Wales have now in recent weeks both accepted British Steel Corporation's plan that the talking has to do about its intention to end making at the two works. Workers at both plants recognise that the time for argument is over. At a mass meeting today Corby's 11,000 strikers will be discussing whether to take industrial action. The Shotton workers, however, are tired after a year-long fight to save steel-making at their plant, and have recognised the inevitability of the closure of the works. They are expected to meet on Monday to negotiate the best possible severance package for the 6,400 workers who will lose their jobs.

The prospects for those involved in the Shotton closure are bleak. BSC figures show that unemployment in the plant's catchment area, currently standing at 8.9 per cent, will now rise to 19.7 per cent. Unemployment in Flint and Mold, small towns near the works, will more than double from just over 13 to 31.5 per cent. Shotton itself, the BSC expects, will see its present rate of just over four per cent more than treble to 14 per cent. The unions claim even more catastrophic effects: they say male unemployment in the Deeside area would rise to nearly 24 per cent—almost one in four of the employable male population.

The Government has recognised the effect of the closure in its granting of special development area (SDA) status to the area and its instruction to the Welsh Development Agency to pump an extra £15m into the area in the next three to four years, mainly to speed up the building of the Deeside industrial estate.

Local councillors and the trade unions agree with Labour MPs that these measures are not enough. Union officials in particular are sceptical, pointing to the heart of Merseyside 15 miles away as an example of how little SDA status can achieve. They fear, too, that because of present levels of unemployment on Merseyside which have led to an increase in willingness to travel to find work, jobs offered by any factories taking advantage of the SDA status and moving to Shotton will be sought not just by former steelworkers from the area but by former car workers, former ship workers, former telecommunications and other workers from Liverpool and its surroundings.

While many workers at Shotton have long accepted the inevitability of closure, few as yet seem to have sought other jobs and fewer still have found any. Local union officials claim that of those who have, the majority of the jobs are outside the area. Most workers seem reluctant, however, to move away from the district despite the forecast levels of unemployment. Some workers, surprisingly, are still confident that they will be able to find work locally.

Scepticism among local union leaders and the Shotton Action Committee about the size of the severance payments does not seem to have taken root, in spite of broadsheets and other material distributed by the unions and visits from former steelworkers at the East Moors plant in Cardiff warning how quickly the pay-offs dribble away. The carrot of redundancy cheques is seen as still the major reason why resistance to the Shotton closure plan crumbled.

The BSC recognises that it will have to buy out a promise given in 1977 that Shotton's future was secure until 1982. This has led some observers to estimate that maximum payments could be as high as £30,000. Union officials doubt that figure, while acknowledging that the average of £7,000 and the maximum of £20,000 at Bilston in Staffordshire will be used as markers when the national TUC steel committee opens redundancy pay negotiations.

There is considerably less feeling among workers at Corby that the fight to keep iron and steel-making at their plant is over. Publicly the unions, academics and local organisations which make up the ROSAC committee—Retention of Steel-making at Corby—continue to point to their well-researched arguments. These are that the Corporation has got its sums wrong; that the annual sum saved by the closure would not be the £42.1m suggested by BSC, but only £8.4m. They point to the demonstrations which have been organised against the closure, to the strength of community feeling in a new town largely made up of Scottish and other migrants, to the high level of trade union organisation in the town, and even to the two giant

Shorter time

The difference in attitude between the Shotton and Corby workers is mainly due to the fact that the Corby men have been fighting closure for a much longer time—only since July and that Corby town grew around its steel works. More Corby's steelmaking plant, set on oxygen converters, is relatively modern compared to that of Shotton. At Shotton some 1,500 jobs go in December, when British Steel will shut down its open-hearth and one blast furnace. A further 2,800 will go in February when the remaining open-hearth and the blast furnace will be shut down. The final closure date is set for March, with another 10 jobs disappearing. Hot rolled coil steel will be shifted into the plant—11,000 tons a week from Ravenscraig in Scotland and 4,000 from the new plant in South Wales—to do the coating complex, or shing end, of the works. BSC says will allow it to employ 4,200 jobs.

Local officials and the trade unions agree with Labour MPs that these measures are not enough. Union officials in particular are sceptical, pointing to the heart of Merseyside 15 miles away as an example of how little SDA status can achieve. They fear, too, that because of present levels of unemployment on Merseyside which have led to an increase in willingness to travel to find work, jobs offered by any factories taking advantage of the SDA status and moving to Shotton will be sought not just by former steelworkers from the area but by former car workers, former ship workers, former telecommunications and other workers from Liverpool and its surroundings.

While many workers at Shotton have long accepted the inevitability of closure, few as yet seem to have sought other jobs and fewer still have found any. Local union officials claim that of those who have, the majority of the jobs are outside the area. Most workers seem reluctant, however, to move away from the district despite the forecast levels of unemployment. Some workers, surprisingly, are still confident that they will be able to find work locally.

Scepticism among local union leaders and the Shotton Action Committee about the size of the severance payments does not seem to have taken root, in spite of broadsheets and other material distributed by the unions and visits from former steelworkers at the East Moors plant in Cardiff warning how quickly the pay-offs dribble away. The carrot of redundancy cheques is seen as still the major reason why resistance to the Shotton closure plan crumbled.

The BSC recognises that it will have to buy out a promise given in 1977 that Shotton's future was secure until 1982. This has led some observers to estimate that maximum payments could be as high as £30,000. Union officials doubt that figure, while acknowledging that the average of £7,000 and the maximum of £20,000 at Bilston in Staffordshire will be used as markers when the national TUC steel committee opens redundancy pay negotiations.

There is considerably less feeling among workers at Corby that the fight to keep iron and steel-making at their plant is over. Publicly the unions, academics and local organisations which make up the ROSAC committee—Retention of Steel-making at Corby—continue to point to their well-researched arguments. These are that the Corporation has got its sums wrong; that the annual sum saved by the closure would not be the £42.1m suggested by BSC, but only £8.4m. They point to the demonstrations which have been organised against the closure, to the strength of community feeling in a new town largely made up of Scottish and other migrants, to the high level of trade union organisation in the town, and even to the two giant

Such disputes give some indication of the strength of feeling still present in Corby. Local

Whether anything like that figure can be achieved is not known. The unions and the council recognise Corby's poor road and non-existent passenger rail communications. A report on the town's prospects also notes a fear of labour relations difficulties from a highly unionised workforce which would be made bitter by a closure, although it recognises assets such as the availability of suitable factory premises and of labour used to shift work.



A mass demonstration against the proposed closure next March of Corby steel works.

Divisions

The pressure from many workers to take the money and run has caused deep divisions among the unions locally, particularly between the Iron and Steel Trades Confederation, the largest steel union, and the National Union of Blastfurnacemen, which opted for closure a good deal earlier than the rest. Last week's decision by 1,900

Local officials and the trade unions agree with Labour MPs that these measures are not enough. Union officials in particular are sceptical, pointing to the heart of Merseyside 15 miles away as an example of how little SDA status can achieve. They fear, too, that because of present levels of unemployment on Merseyside which have led to an increase in willingness to travel to find work, jobs offered by any factories taking advantage of the SDA status and moving to Shotton will be sought not just by former steelworkers from the area but by former car workers, former ship workers, former telecommunications and other workers from Liverpool and its surroundings.

While many workers at Shotton have long accepted the inevitability of closure, few as yet seem to have sought other jobs and fewer still have found any. Local union officials claim that of those who have, the majority of the jobs are outside the area. Most workers seem reluctant, however, to move away from the district despite the forecast levels of unemployment. Some workers, surprisingly, are still confident that they will be able to find work locally.

Scepticism among local union leaders and the Shotton Action Committee about the size of the severance payments does not seem to have taken root, in spite of broadsheets and other material distributed by the unions and visits from former steelworkers at the East Moors plant in Cardiff warning how quickly the pay-offs dribble away. The carrot of redundancy cheques is seen as still the major reason why resistance to the Shotton closure plan crumbled.

The BSC recognises that it will have to buy out a promise given in 1977 that Shotton's future was secure until 1982. This has led some observers to estimate that maximum payments could be as high as £30,000. Union officials doubt that figure, while acknowledging that the average of £7,000 and the maximum of £20,000 at Bilston in Staffordshire will be used as markers when the national TUC steel committee opens redundancy pay negotiations.

There is considerably less feeling among workers at Corby that the fight to keep iron and steel-making at their plant is over. Publicly the unions, academics and local organisations which make up the ROSAC committee—Retention of Steel-making at Corby—continue to point to their well-researched arguments. These are that the Corporation has got its sums wrong; that the annual sum saved by the closure would not be the £42.1m suggested by BSC, but only £8.4m. They point to the demonstrations which have been organised against the closure, to the strength of community feeling in a new town largely made up of Scottish and other migrants, to the high level of trade union organisation in the town, and even to the two giant

Such disputes give some indication of the strength of feeling still present in Corby. Local

Whether anything like that figure can be achieved is not known. The unions and the council recognise Corby's poor road and non-existent passenger rail communications. A report on the town's prospects also notes a fear of labour relations difficulties from a highly unionised workforce which would be made bitter by a closure, although it recognises assets such as the availability of suitable factory premises and of labour used to shift work.

Letters to the Editor

The level of inflation

Mr. H. Cole
Sir,—At the time of the report in June, I pointed out the dangers of calculating inflation rates on the basis of the 23 month period. Now the figures are coming home to us—and some of them look like ferocious vultures. When Ministers stated that they thought inflation would be 17.5 per cent in November, what they meant was that in that month would be much higher than in November 1978. In itself this is not more than that the price index would rise in 202.5 to 237.9 over the year. In October it had risen 235.6, so that the forecast looks like being a good one.

necessitate growth to maintain profitability and before granting wage demands—no longer based on cost of living which is frozen. This is one policy option for which even Jack Jones failed to secure support. Yet no searching feasibility study appears to have been made of the full implications of a properly managed price freeze which could stimulate growth, increase employment, increase real profits, strengthen the currency and enforce co-operation in an improved industrial relations climate.

was only a minor criterion in our methodical assessment of many factors, all clearly explained in the survey. The false accusation that it was all for "cheap publicity" is ludicrous, as it was researched by six people over six weeks at the cost of £15,000, flying every airline three times. Anyway, the airline survey represents only a small part of the guide.

in the garment industry, for instance, restrict themselves to British cars and, indeed, how many people in the motor industry restrict themselves to British made clothes and shoes? Britain is a great trading nation and lives by trade. Its exports represent 24 per cent of its gross domestic product. The only long-term solution to the country's present economic difficulties is expansion of trade and this means imports as well as exports.

side the rules. It is indefensible that there should be a situation in which such cases have to be treated in this way. The Government must be aware that large numbers of British citizens spend long periods serving their companies or their country in overseas posts. The number of girls born to be born, while their parents serve overseas is certainly very large.

Today's Events

- GENERAL: UK National Union of Mineworkers executive considers further action on pay claim. Ford unions meet company to continue pay negotiations. Second day of Financial Times conference "Industrial relations—establishing a framework for the 1980s". London. Mr. David Howell, Energy Secretary, speaks at Association of British Independent Oil Exploration Companies Dinner, London. TGWU open cast coal workers one day strike.
- CBI monthly council meeting. Prince Philip opens National Aid for Disabled exhibition, Wembley (until November 23); opens Somerset House Art Treasures Exhibition (until December 9).
- Overseas: Second day of Financial Times conference on air transport in the developing world, Singapore. General election in Belize. PARLIAMENTARY BUSINESS: House of Commons: Debate on case of Anthony Blunt.
- House of Lords: Short debate on deterioration in the use of the English language. Short debate on need for a National Youth Service. Short debate on pleas to integrate chiropractic into the National Health Service.
- COMPANY MEETINGS: Barratt Developments, Savoy Hotel, Strand, WC. Galliford Brindley, Post House, Coventry, 12.30. Northern Industries Improvement Trust, Blue House, Washington, Tyne and Wear, 10.30.

The incredible Treasury

From Mr. P. O'Brien
Sir,—When unemployment was between 300,000/400,000 raising the bank rate (minimum lending rate) had some relevance because the economy had come up against the limit of the labour supply and a policy of importing West Indians, etc., was a way of raising our industrial capacity.

What other politically tenable policy initiative will enable managements to avoid inflationary price increases and encourage growth in gross national product sufficiently to support adequate public services? Some additional discipline is clearly needed to hasten the achievement of the Government's objectives. J. F. Christmas, 10, Madison Avenue, Cheadle Hulme, Cheadle, Cheshire.

As for airline meals, the survey advocates simpler food, not "baste cuisine," another misrepresentation by Mr. Marshall who, like Marie Antoinette in the clouds, recommends first class flights as a remedy. Egon Ronay, Greencoat House, Francis Street, SW1.

But the solution surely is not to hide the surrealist liability to future pensions for the privileged few "under the carpet" by making them unfunded, but to abolish indexation beyond the level forecast by the skilled actuaries who advise the Government in these matters or paid for by the employer or employees on a current salary basis.

Parliament is acquiescing (committing perhaps as MPs get the same privilege) in the creation of two very unequal classes of pensioner for which there is not the slightest justification, and is perpetrating a massive fraud on the majority who will be paying most of the bill. Anthony Furse, Mold, Chwyd.

The growth option

Mr. J. Christmas
Sir,—On November 13 it was encouraging to hear the Prime Minister emphasise that public expenditure must be reduced as proportion of gross national product. For too long Ministers have demanded cuts in expenditure without simultaneously increasing the need for real growth to sustain public services without inflation. Monetary control is proving no brake on inflation and in itself does not demand growth. A given supply of money can be used to finance more or less product or less more product.

Instead of raising MLR should not unemployment benefit be cut? Unconventional shipyards, coalmines, railwaylines closed? Why are we feather-bedding so many at the expense of those struggling to make Britain economically viable? Why did the Government we elected to cure these things announce the largest ever increase in benefits the same week as the highest ever MLR? Why has it given another £200m to British Shipbuilders which has had large pay rises? What is it going to do about British Steel? Or British Rail? Are all politicians will always vote Labour anyway so the Tories are not even buying votes like Labour. P. O'Brien, 51 Harpenden Avenue, Virginia Water, Surrey.

Trade in textiles
From the Director, British Importers Confederation
Sir,—Outward processing is far from detrimental to the UK textile industry as a whole, as Mr. Alec Smith of the National Union of Tailors and Garment Workers (Nov 7), would have us believe. On the contrary, outward processing increases the competitiveness of UK manufactured textiles both in the home and in export markets.

Second-class citizens
From Mr. T. Fleming
Sir,—Reporting and commenting on the racial and sexual discrimination which it is proposed to bring into the immigration regulations, you record that the Home Secretary explained that it had not been overlooked that some girls would have been born abroad because their parents happened to be out of the country perhaps for business reasons at the time of their birth.

Manipulating a balance sheet
From a Managing Director, Ransome Hoffmann Pollard
Sir,—It is depressing that your taxation correspondence (November 13) thinks that under the new current cost accounting rules the level of trade debtors and creditors might be manipulated without undue difficulty at balance sheet date to gain tax advantages.

WHERE IN THE WORLD WILL YOU FIND STANDARD CHARTERED? BRIDGE ST. In Australia, where the Melbourne and Sydney offices of Standard Chartered Australia Limited offer merchant banking facilities backed by the worldwide resources of the Standard Chartered Bank Group, Britain's largest independent international bank. With over 1500 branches and offices in our Group we can handle your business direct with any other of our branches in 60 countries. Why not ring Keith Skinner now on 01-623 7500 to find out how we can help you. Standard Chartered Bank Limited helps you throughout the world. Head Office: 10, Cannon Lane, London EC4N 3AB. Assets £12,000 million.

C. E. Heath falls 10% as strong pound takes toll

THE STRONG pound hit C. E. Heath and Co. in the six months to September 30, 1979, and taxable profits fell by some 10 per cent from £6.54m to £5.87m. Exchange rate fluctuations make it difficult to forecast the full-year result, the directors say. Last time profits totalled £16.05m. Because the bulk of group expenses is incurred in sterling, half-year profits from broking operations were some £798,000 lower at £2.5m, they add. The expense ratio has therefore risen from 69.8 per cent to 80.1 per cent.

HIGHLIGHTS

Contrary to the gloomy results and forecasts across the industrial spectrum, Metal Box has improved interim profits by 9 1/2 per cent to £34m, although turnover has increased rather faster with a 28 per cent advance. Hambros, like Metal Box, performed well in yesterday's stock market, and the merchant bank gave every indication of having had a strong half year. Lex discusses the prospects and performance of European subsidiaries and also examines the required divestment of Anglo-Canadian's stake in Furness Withy. Elsewhere, the insurance broker C. E. Heath has been rather more successful in stemming the rate of expenses inflation than many of its peers, but half-time profits, affected by tightening international competition, were still markedly down. HAT Group, pinning many of its hopes on the maintenance sector, looks set for a worthwhile annual advance after a 32 per cent interim upturn at the pre-tax level.

Brokers slipped from £8.8m to £8.52m. But for the strong pound, especially in July, August and September, brokerage would have increased by some 10 per cent, they say. Also, there was no contribution from South Africa after closure of group operations in that territory. Underwriting profits were up by £276,000 to £2.52m, which included a contribution of some £800,000 from the new French subsidiary Groupe Spinks. Australia continued to develop satisfactorily but the devaluation of the Australian dollar depressed sterling-converted results. The group's London Agencies turned in reduced income following Bellefonte Insurance Co.'s decision to launch its own underwriting organisation.

Strength of sterling has not helped. Some £798,000 was trimmed off broking profit. Even so, broking performance is unsurprising as competitive pressures continue to hit the group. And the contribution from underwriting looks better than it is. There is a first time contribution of £769,000 from Groupe Spinks. Insurance brokers are out of favour in the stockmarket. So with full year profits in view of perhaps £14m pre-tax, compared with £16.05m, Heath's shares at 170p, down 5p yesterday, stand on a prospective fully taxed p/e of 7.3 which may fail to stimulate enthusiasm.

Hambros well ahead mid-term

A SIGNIFICANT advance in first half 1979-80 profits is announced by Hambros, the banking, insurance, investment and unit trust group. However, the directors stress that in view of existing economic uncertainties this should not necessarily be taken as an indication of the year's result.



Mr. Jocelyn Hambro, chairman of Hambros. Interim dividend stepped up by 25 per cent.

The interim dividend on the £10 (£2.50 paid) shares is stepped up (by 25 per cent) from £2.0p to £2.5p—the total for 1978-79 was 108.24p paid from attributable profits of £7.04m.

HAT Group moves up 38% and confident

IN THEIR interim report the directors of HAT Group are forecasting a profit for the current year "well in excess" of the £2.52m achieved in the year ended February 28, 1979. Including four months contribution from Glass and Metal Holdings, group profit for the half year ended August 31, 1979, has advanced 38 per cent to £1.7m. Turnover rose 14.3 per cent to £40m.

After financing charges, HAT is ahead by a quarter at the interim stage. The G and M acquisition marked a change in the previous policy of piecemeal purchases of loss-making sub-contractors and may presage a more aggressive expansionary approach through takeovers. Equally important, it helped to shrink the profit contribution from new building contracts. Maintenance work, whose margins are some four times greater, now accounts for 80 per cent of pre-tax profits, against around 40 per cent four years ago which suggests that the half-time rate of organic growth may be maintained. HAT should be heading for £3.75m pre-tax this year for a fully taxed p/e 7.4. On the basis of a 28 per cent interim charge, prospective earnings are 5.57p per share which provides scope for a 2p per share net total dividend, given that earnings should be eliminated by February, where the yield would be 10.4 per cent at 28p.

RKT suing 3 directors

Robert Kitchen Taylor is suing three of his own directors—Ernest Libby, the chairman, Mr. David Gourlay and Mr. Thomas Nightingale, the joint managing directors.

The company has adopted the action brought by Mr. Henry Schuidtrental and Mr. Bernard Garbarz, two shareholders of Robert Kitchen Taylor, prior to the annual general meeting in March this year. The two shareholders claimed the directors had been in breach of their duties in causing or permitting shares of Robert Kitchen Taylor held in trust for the company to be sold in February 1977.

As usual, commission from the Lloyd's underwriting operations is deferred for inclusion at the year-end. A small contribution to group profits is expected. Underwriting expenses soared from £711,000 to £3.1m. On prospects, the directors say the acquisition of new business and the containment of expense continue to be prime objectives. The recent re-organisation of some of the UK-based insurance broking subsidiaries is intended to help this.

The interim dividend is raised from 1.621p to 3.0295p net (£4,327p gross). Also, as forecast at the AGM, there is a payment, equal to last year's gross final of 5.6721p after the lifting of restrictions. This gives a combined distribution of 7p net (10 1/2p gross). After tax of £3.05m (£3.4m for the half-year, earnings per share are given as 9.1p (10.7p).

C. E. Heath's half time results were in line with market expectations with operating profits down 10 per cent. Indeed the only surprise in the figures was the encouraging way in which the insurance broker has managed to hold expenses on the broking front to an increase of only 13 per cent at a time when some competitors have found expenses the most difficult area to control. With a large part of the group's revenues earned overseas, and a sizeable amount in dollars, the

Hawker Siddeley is forming a new company to be known as Hawker Siddeley Marine. The new company results from the merger of the marine divisions of R. A. Lister and Co. and Fetters, both Hawker Siddeley companies.

	1978	1979
Turnover	40,000	35,000
Trading profit	1,711	1,249
Loan interest	7	9
Profit before tax	1,704	1,237
Taxation	478	270
Net profit	1,226	967
Minority	19	5
Attributable	1,207	962

Fast foods a target of Wm. Low

In his annual review as chairman of Wm. Low and Co., the Scottish supermarket and freezer centre group, Mr. A. M. Drysdale reveals the company's interest in entering the fast food market.

MB

Metal Box

Interim Statement

The unaudited trading figures for the half-years to 30th September, 1979 and 1978 are tabulated below:

	%	Half-year to 30th Sept. 1979 £'000	Half-year to 30th Sept. 1978 £'000
Sales			
Home	+11.4	340,180	305,290
Overseas	+44.0	205,300	142,570
	+21.8	545,480	447,860
Profit before taxation			
Home	+ 1.2	22,300	22,040
Overseas	+38.9	11,570	8,180
Associated Companies	—	300	810
	+ 9.5	33,970	31,020
Estimated taxation on the profit of the period	+15.4	7,700	6,670
Profit after taxation	+ 28	26,270	24,350
Interest of minority shareholders	+53.4	2,670	1,740
Interest of Metal Box Limited	+ 4.3	23,600	22,610

For the half-year to September 1979, the overseas currencies have been converted at the mid-market rates of exchange at 30th September 1979; for the half-year to September 1978, they have been converted at the rates used in the accounts for the year to March 1979.

Consolidated sales rose by £97.6 million (21.8%) and profit before taxation by £2.9 million (9.5%). Sales at home rose by £34.9 million (11.4%) and overseas by £62.7 million (44.0%). Profit before taxation at home was higher by £0.3 million (1.2%). Profit of the overseas subsidiaries was up by £3.2 million (38.9%).

The marginal profit increase at home reflects a modest overall increase in the volume of sales over the first six months of last year. Overseas, the results were better than last year and represent improved performances by nearly all the subsidiaries. The progress of the United States subsidiaries is satisfactory and going to plan. The central heating business continues to advance.

MB Metal Box Limited

If you would like a copy of our Interim Report, please write to The Company Secretary, Metal Box Limited, Queens House, Forbury Road, Reading, RG1 3JH

MB

MB

Metal Box

Interim Statement

The unaudited trading figures for the half-years to 30th September, 1979 and 1978 are tabulated below:

	%	Half-year to 30th Sept. 1979 £'000	Half-year to 30th Sept. 1978 £'000
Sales			
Home	+11.4	340,180	305,290
Overseas	+44.0	205,300	142,570
	+21.8	545,480	447,860
Profit before taxation			
Home	+ 1.2	22,300	22,040
Overseas	+38.9	11,570	8,180
Associated Companies	—	300	810
	+ 9.5	33,970	31,020
Estimated taxation on the profit of the period	+15.4	7,700	6,670
Profit after taxation	+ 28	26,270	24,350
Interest of minority shareholders	+53.4	2,670	1,740
Interest of Metal Box Limited	+ 4.3	23,600	22,610

For the half-year to September 1979, the overseas currencies have been converted at the mid-market rates of exchange at 30th September 1979; for the half-year to September 1978, they have been converted at the rates used in the accounts for the year to March 1979.

Consolidated sales rose by £97.6 million (21.8%) and profit before taxation by £2.9 million (9.5%). Sales at home rose by £34.9 million (11.4%) and overseas by £62.7 million (44.0%). Profit before taxation at home was higher by £0.3 million (1.2%). Profit of the overseas subsidiaries was up by £3.2 million (38.9%).

The marginal profit increase at home reflects a modest overall increase in the volume of sales over the first six months of last year. Overseas, the results were better than last year and represent improved performances by nearly all the subsidiaries. The progress of the United States subsidiaries is satisfactory and going to plan. The central heating business continues to advance.

MB Metal Box Limited

If you would like a copy of our Interim Report, please write to The Company Secretary, Metal Box Limited, Queens House, Forbury Road, Reading, RG1 3JH

MB

Rexmore improves midway and increases dividend

Profits of Rexmore, fabric supplier and distributor, improved slightly from £701,012 to £798,468 in the six months to September 30, 1979, on turnover up from £17.38m to £18.74m.

In August, the directors anticipated recommending at least a maintained rate of dividend for the current year on capital increased by a 10 per cent scrip issue, and the interim payment now announced is 1.48p compared to an equivalent 1.26p. Last year's adjusted total was 4.40p on profits up from £819,000 to £1.48m.

After lower minorities of £5,999 (£8,900) and dividend costs of £148,638 (£122,955), retained earnings have increased 11 per cent, from £569,147 to £681,842. Stated earnings per 20p share have risen from 7.14p to 8.06p.

There is again no tax charge, and directors do not anticipate tax will affect the full year's figures.

DIVIDENDS ANNOUNCED

	Current payment	Date of payment	Corre. Total last year	Total last year
A-A Asphalt	1.07	Feb. 15	1.07	2.13
Equity Income	9.48	Dec. 20	7.43	11.39
Evans of Leeds	1.0	Jan. 11	0.5	2.5
Globe Inv.	3.55p	Jan. 31	1.52	5.6
Grant Bros.	1.52	—	0.67*	3.3*
Gt. Portland Ests.	1.0	Jan. 31	42.0	109.24
Hambros	1.6	—	0.83	1.71
HAT Group	1.0	Feb. 28	0.22	7.85
C. E. Heath	10p	Jan. 3	2.22	18.00
Metal Box	8.47	Jan. 21	7.37	15
Moran Tea	5	Jan. 17	10	4.4*
Rexmore	1.48	Jan. 22	1.27*	2.88
Tyack Sons Furness	N/A	—	1.82	1.12†
Wade Pottery	1.33	—	0.68	1.33

Dividends shown pence per share net except where otherwise stated. *Equivalent after allowing for scrip issue. †On capital increased by rights and/or acquisition issues. ‡But special interim payment of 1.5p. §Adjusted. ¶Includes 0.8p special; final of 3.5p forecast. ††Gross throughout. Current interim includes 5.6721p payment, as forecast.

level so there is no reason why full-year profits should not achieve their normal second half bias. On this basis, the outcome should be roughly £1.7m pre-tax, which puts the share at 51p, or a prospective fully taxed p/e of 6.3 while the yield is nearly 16 per cent. This reflects the uncertainties of the textile sector.

ing ahead of budget, due mainly to the jump in interest rates. Debt servicing costs are currently running at the annual rate of almost £800,000 although the full-year figure might not be as much since borrowings are normally much higher in the first half due to a peak level of finished stocks. Order books are at a good

Wood Hall chief optimistic

LOOKING AT prospects for Wood Hall Trust, the chairman, Mr. Michael Richards, says he expects group profit should be comparable to, and possibly above, those for the year ended June 30, 1979.

On the basis of divisional results for the first quarter, and prospects for the ensuing three months, he expects the half year profit to equal, and hopefully exceed, the £2.74m achieved in the corresponding period of the previous year.

Further, subject to any unforeseen setbacks, the group should show creditable results for the second half.

Mr. Richards is unable to make any reliable forecast for the overseas trading division, but there is determination that it should show progress and improved results.

Wood Hall Ltd. has improved its position and, with its better prospects, there will be disappointment if profits do not show an appreciable increase. Final settlement of the pipeline contract means a substantial saving in administrative expenses and interest charges—overall savings total £43m annually and will be of significant benefit to profits.

Last year was the most favourable in living memory for the

Australian pastoral industry, and Australian Mercantile Land and Finance Company benefited accordingly. Its results for the first quarter of the current year and prospects for the remainder of the first half are good. Results for the second half depend on seasonal and market factors, but the chairman will be disappointed if the company does not show overall profits comparable with last year.

In the building group a major task will be to make a substantial improvement in the results of H. Fairweather.

As reported on November 3, the Wood Hall group achieved profits of £7.88m (before exceptional items) in the year ended June 30, 1979, compared to £4.87m. The contribution from Australia shot up from 31 per cent to 54.4 per cent. The dividend is 6.21p (5.405p) net.

H. & J. Hill winding down foundry side

H. & J. Hill Group is to wind down production at its foundry subsidiary, H and J

Earlier this month, the directors reported a sharp fall in group pre-tax profits for the first half of 1979—down from £35,672 to £5,029—and there is no interim dividend.

They said that, because of the problems with which the foundry division is faced, it was difficult to estimate full year trading results. However, the drop forging division's export volume had increased.

The home market was still affected by the recent engineering dispute, and it was impossible to anticipate the level of business which would be obtained in the fourth quarter, they added.

In his annual statement for 1978, Mr. W. C. Sproson, chairman, said that H and J Hill (Willenhall) continued to suffer from severe reduction in requirements from public works and building industries.

Trading in the division was still unprofitable, and a considerable improvement in the volume of business was required before a satisfactory level of profitability could be achieved.

For the 1978 year, there was a turnaround from a group loss of £38,940 to a profit of £56,039.

MB

"A decade of uninterrupted growth"

**Sales increase—4 times
Profit increase—5 times
Return on funds increase
from 12.4% to 21.0%**

"1979 another record year of sales and profit"

Policy for growth

"Our policy in recent years has been to create a more even balance between the manufacturing and distributive activities and to concentrate attention within the manufacturing area on those businesses where a particular speciality or technical expertise can command its place in world markets."

Strong balance sheet

"The ratio of borrowings to total funds employed at 15% leaves ample scope for further development and growth."

Dividend

The net dividend for the year, 9.75p, represents an increase of 20.5%.

Overseas subsidiaries

"Our overseas subsidiaries benefit from the technical and financial support from the U.K., and their results for the year are particularly gratifying with trading profits, in local currencies 70% higher than the previous year."

Exports

"Exports increased by 20%."

	1969/70	1977/78	1978/79
SALES	£m 72.9	254.8	284.6
TRADING PROFIT	£m 5.2	24.1	27.5
FUNDS EMPLOYED	£m 42.2	121.2	131.0
RATIOS			
Trading Profit: Sales %	7.2	9.5	9.7
Trading Profit: Funds Employed %	12.4	19.9	21.0

SMITHS INDUSTRIES LIMITED

MANUFACTURERS OF: AEROSPACE, MARINE VEHICLE, MEDICAL TUBING, ARMOURING AND HYDRAULIC EQUIPMENT; CAR RADIO AND STEREO, TIMING PRODUCTS, CERAMICS & INDUSTRIAL INSTRUMENTS, AND DISTRIBUTORS OF PARTS AND ACCESSORIES FOR VEHICLES AND FOR INDUSTRIAL PLANT & MACHINERY.

WINTRUST

Having received dividend waivers this year, similar to those received last year Wintrust is to follow the practice adopted last year of declaring a special nominal first interest of 0.1p in order to maintain trustee status.

November 20	Price	%	+ or -
Asland	102		
Banco Bilbao	200		
Banco Central	210	-4	
Banco Exterior	210	+10	
Banco Hispano	200	-2	
Banco Int. C.	177		
Banco Madrid	190		
Banco Santander	200	-3	
Banco Urquiu	205		
Banco Vizcaya	200		
Banco Zaragozano	200		
Orizades	100	-2	
Fecsa	59.5	-0.2	
Gal. Proceadas	37	-0.5	
Hydrois	62.5	+1.8	
Petroleos	121.3		
Petrofinor	76		
Scoviss	122		
Telefonica	60		
Union Elect.	64.3	-2.2	

November 19	Price	%	+ or -
Acasista	1.26	-0.7	
Enxoa Brasil	2.47	-0.3	
Banco Itau	1.43		
Belpa. Min.	2.45	+0.4	
Loja Amer.	2.45	-0.4	
Petrobras PP	1.88	-0.5	
Pirula	1.32	+0.2	
Sociedade Vicosa	3.40	+0.6	
Unip PE	5.26	-0.5	
Vale Rio Doce	2.91	+0.6	
Turnover: £216.5m	93.5m		

Source: Rio de Janeiro SE.

مكتبة من الكتب

Companies and Markets

UK COMPANY NEWS

Overseas expansion helps Metal Box to 9% rise

STRONG performance by the overseas side helped raise tax-adjusted profits of Metal Box by 9.5% to £33.97m in the half to September 30, 1979, compared with £31.00m last time.

The directors say the marginal increase at home reflects modest overall rise in the price of sales. Overseas results remain improved performance clearly all the subsidiaries.

Torday earns £432,000 in first half

A pre-tax profit of £432,000 is reported by Torday for the six months to June 30, 1979 on sales of £2.98m. The net profit is increased from 4p to 4.6p.

First half figures for last year are not available, as interim results were not produced prior to the company's listing on the over-the-counter market on November 25, 1978.

£11,436 loss by Moran Tea

A pre-tax loss of £11,436 was incurred by Moran Tea Holdings for 1978 compared with a £187,556 profit and the final dividend is halved to 5p cutting the year's total from 15p to 10p.

Evans of Leeds ahead halfway

AFTER HEAVIER interest and other charges of £931,016, against £650,739, pre-tax profits of Evans of Leeds, the property investment and development group, showed an improvement from £58,777 to £63,742 in the six months ended September 30, 1979.

Milford Docks rights plan

Milford Docks Company is planning to ask shareholders for a cash injection by way of rights issue.

Yearlings up

The coupon rate on this week's batch of local authority yearling bonds has increased from 15 per cent to 1 1/2 per cent—just 1 per cent below the peak level of January 1974.

REPORTS AND ACCOUNTS IN BRIEF

PRESSAC HOLDINGS (electromechanical component manufacturer and precision engineer)—Result for year to July 31, 1979, reported 6.2p.

Arenson forecasts increase

THE CURRENT year has started well for A. Arenson (Holdings) and Mr. A. Arenson, chairman, is confident of improved full-year results.

Equity Income earnings up

Net income of Equity Income Trust increased from £438,657 to £512,657 in the year ended August 31, 1979, after a halfway rise from £202,021 to £228,026.

Better trend for engineering at Eleco

But for the present uncertain industrial and economic situation, it would have been possible to forecast another step forward for Eleco Holdings in the current year, states Mr. Frank Webster, chairman, in his annual review.

Hellenic & General

First-half profits to September 30, 1979, fell marginally from £548,000 to £529,000 at Hellenic and General Trust, a subsidiary of Hambros, Tax for the period took £235,000, compared with £228,000.

Allen Harvey and Ross Gilt

EDGED FUND—Dividend of 37p per share to be paid on November 15, 1979, payable October 31. This makes total distribution for first nine months of 106 1/2 p.

British Industries and General

Final dividend 2.5p. Fixed assets £27,101. Quoted investments £1.54m (£1m) with market value £1.65m (£1.2m).

Hampton Trust

Turnover for six months to September 30, 1979, reported £24,247. Earnings per share 0.25p (0.13p).

Wimpey

Revenue for six months to September 30, 1979, reported £1.44m and ended September 30, 1978, £1.44m.

Security Centre Holdings

Interim dividend 0.4p per share. Security Centre Holdings and St. George Assets for the nine months to September 30, 1979, reported £20,170, while for the six months to June 30, 1979, reported £19,800.

Allen Harvey and Ross Gilt

EDGED FUND—Dividend of 37p per share to be paid on November 15, 1979, payable October 31. This makes total distribution for first nine months of 106 1/2 p.

British Industries and General

Final dividend 2.5p. Fixed assets £27,101. Quoted investments £1.54m (£1m) with market value £1.65m (£1.2m).

Hampton Trust

Turnover for six months to September 30, 1979, reported £24,247. Earnings per share 0.25p (0.13p).

Wimpey

Revenue for six months to September 30, 1979, reported £1.44m and ended September 30, 1978, £1.44m.

Security Centre Holdings

Interim dividend 0.4p per share. Security Centre Holdings and St. George Assets for the nine months to September 30, 1979, reported £20,170, while for the six months to June 30, 1979, reported £19,800.

Allen Harvey and Ross Gilt

EDGED FUND—Dividend of 37p per share to be paid on November 15, 1979, payable October 31. This makes total distribution for first nine months of 106 1/2 p.

British Industries and General

Final dividend 2.5p. Fixed assets £27,101. Quoted investments £1.54m (£1m) with market value £1.65m (£1.2m).

SAFEGUARD INDUSTRIAL INVESTMENTS LIMITED

Successfully helping small businesses to raise capital

Your company's good record over the years is shown by its having been ranked sixth in the table of top performing Investment Trusts over a ten-year and three-year period in figures published recently.

We have continued the policy of providing development capital for unlisted companies engaged in a various range of activities. Your company has specialised in this field for 25 years and can point to considerable success in selecting its investments, many of them having grown over the years to listed status.

Continue to believe that part of the small businessman's problem is not knowing where to go for advice or to whom to turn for help.

Table with columns: Year to 30th September 1979, Year to 30th September 1978. Rows include Net revenue after taxation, Dividends, Earnings per share, Net assets, Net asset value per share.

Copies of the Annual Report and Accounts are available from Safeguard Industrial Investments Limited, 87 Eaton Place, London SW1, Telephone: 01-235 9665.

SAFEGUARD

Export Finance

Without Recourse—Contact: David Rippon at Arbuthnot Export Services Limited



Specialists in financing exports of capital plant and machinery worldwide.

DON'T MISS THE NAP SHARES FOR 1980

Table showing FT INDEX and ICNL Naps performance from 1957 to 1979. Includes columns for Year, FT Index, and ICNL Naps.

At the beginning of every year the ICNL Newsletter selects a number of shares (generally 50) for capital gain over the following twelve months—its Star Nap Selections.

The table above shows the cumulative 12-month performance of each year's (top) Selections over the last 23 years, including that of the 1979 Selections. If you had invested £1,000 in the 1957 Nap Selections and reinvested the proceeds at the end of each year in the new annual selections, your total at 1.000 would now be worth £2,471.00 before gains tax and expenses against a mere £1,211 if you had invested in the FT Index and £5,471 if you had managed to keep pace with inflation.

Form for requesting the ICNL Newsletter, including fields for name, address, and contact information.

EUROPEAN OPTIONS EXCHANGE

Table listing various European options with columns for Series, Vol., Last, April, May, July, Stock.

TOTAL VOLUME IN CONTRACTS: Call, Put

When doing business in Saudi Arabia, the first thing you need is a second bank

The Saudi market is no more difficult than any other. But it is different. Which is why the first thing you will need is a second bank, which is international and has special expertise in Saudi Arabia.

Saudi International Bank advertisement including logo and contact information: AL-BANK AL-SAUDI AL-ALAMI LIMITED.

RESIDENTIAL PROPERTY

Settle down in the Spanish sun. Securely.

If you've wondered where to settle on a second home as an overseas investment, we have some of the nicest places under the sun.

We have built homes of the highest quality, exquisitely designed and landscaped, that give you guaranteed security, backed by an efficient after-sales administration and management.

The choice ranges from luxury beachfront apartments to bungalows and villas of all sizes with prices from £11,000 to £80,000.

Facilities include a new yacht marina, country club, golf, tennis and sailing. The properties are available direct from a reliable, well-established continental company advertising for the first time in the UK.

Now's the time to "Invest in the Sun." Send for our free full colour 44 page brochure today, by filling in the coupon below.

Form for requesting a brochure: To: Promociones Bruguera S.A., 5 Martindene, Bexleyheath, Kent, DA6 8NA, 01-303 7302. Please send me a copy of your full colour 44 page brochure "Invest in the Sun".

Advertisement for a chalet in Switzerland: Your chalet in Switzerland at Alpe des Chaux. A mountain-side retreat hidden among a thousand acres of unspoiled and protected countryside.

Advertisement for COTE D'AZUR VENICE: New Provincial Villa, 1,500 sq m garden, 40 sq m living room with fireplace, 4 bedrooms, bathroom, garage. F.Frs. 1,300,000.

COMPANY NOTICES: TEJIN LTD. NOTICE TO HOLDERS OF BEARER SHARES OF £100. The company declared a cash dividend of 7p per share on 20th November 1979.

TO LET FURNISHED 55 PARK LANE W1. FURNISHED quality apartments in established block. 1 2/3 beds, 1/2 baths, reception room and kitchen.

Hampton & Sons. 6, Arlington Street, London SW1. Tel: 01-493 8222.

Spain Costa del Sol and Majorca. RESIDENTIAL PROPERTIES & HOTELS FOR SALE. MORTGAGES ARRANGED. Spratley & Co.

CONTRACTS AND TENDERS INTERNATIONAL TENDER To supply Steam Coal for CHILECTRA in 1980. Compañía Chilena de Electricidad S.A., "CHILECTRA" calls for international tenders for the supply of 400,000 metric tons of steam coal.

LEGAL NOTICES IN THE MATTER OF THE COMPANIES ACT 1948 AND IN THE MATTER OF GUNITE SWIMPOOLS LIMITED. NOTICE IS HEREBY GIVEN pursuant to Section 228 of the Companies Act 1948 that a General Meeting of the Members of the above named Company will be held at the offices of Floyd Nash & Co., 33 Clifford's Inn, Fetter Lane, E.C4 in the City of London on Monday the 7th day of January 1980 at 2.30 p.m. to be followed at 2.45 p.m. by a General Meeting of the Creditors for the purposes of receiving an account of the Liquidator's Accounts and Dealings and of the conduct of the Winding-Up. Dated this 15th day of November 1979. R. E. FLOYD, Liquidator.

COMPANY NOTICE HIGSONS BREWERY LIMITED. NOTICE IS HEREBY GIVEN that the Ordinary Shareholders of the Company are entitled to attend and vote at the Ordinary General Meeting of the Company to be held on 21st November 1979. 127, Dale Street, Liverpool L2 2JF. 21st November 1979. J. THOMAS, Secretary.

Companies and Markets

UK COMPANY NEWS

BIDS AND DEALS Eurocanadian moving large Furness Withy stake

BY JOHN MOORE

Eurocanadian Shipholdings, the private Canadian-owned shipping group based in Switzerland and Bermuda, is to transfer an 18.4 per cent shareholding in Furness Withy, the British shipping group, to other shareholders in Eurocanadian or their affiliates.

The move is designed to satisfy an undertaking given by Eurocanadian in 1976 to the Secretary of State for Trade following a Monopolies Commission recommendation that Eurocanadian should reduce its holding in Furness Withy to not more than 10 per cent over a reasonable period.

The Department of Trade said yesterday that further information was being sought from Eurocanadian to determine whether the proposed arrangement meets with the terms of the undertaking given to the government in December 1976. The Office of Fair Trading said that its own department's lawyers were studying the proposals.

Yesterday's development marks a new round in the battle for influence over the affairs of Furness Withy by Mr. Frank Narby, the chief executive of Eurocanadian.

Eurocanadian said in its announcement that its Furness Withy shareholding is being transferred to the shareholders in Eurocanadian or their affiliates. Under the arrangement Dolphin Investments acquires 3.4m shares, or 11.2 per cent of the Furness equity.

TEJIN LTD. NOTICE TO HOLDERS OF BEARER SHARES OF £100. The company declared a cash dividend of 7p per share on 20th November 1979. After deduction of the applicable taxation withholding tax, the cash dividend will be paid on 21st November 1979.

Mr. D. Webster is a director of Eurocanadian Shipholdings. Canadian National Railways or its pension fund acquires 888,113 shares, representing 3.3 per cent of the Furness equity. Canadian National Railways owns 18 per cent of Eurocanadian Shipholdings.

Helix Investments and Dolphin Investments own 21 per cent and 61 per cent of Eurocanadian Shipholdings respectively. Mr. Narby is to resign as chief executive of Eurocanadian from January 1, 1980, and is to take up residence in England.

He said yesterday: "The very satisfactory performance of the senior management team at Eurocanadian enables me now to fulfil a long held wish to withdraw from the chief executive role within that organisation. This will enable me to devote more time to my personal investment interests which obviously include Dolphin Investments and its stake in Furness Withy."

He added that he planned to exercise his skills in the UK shipping industry. Commenting on his redeployment of the Furness Withy shareholding, he said: "I am delighted that as a result of this agreement Eurocanadian is able both to fulfil its undertaking to the Secretary of State for Trade and to comply with the requirements of the Monopolies and Mergers Commission."

Following discussions with my Canadian partners it is clear that all of us look upon our newly acquired shareholdings in Furness Withy and our long-held shareholdings in Eurocanadian as two wholly separate investments and, of course, that will remain so."

The Department of Trade and the Office of Fair Trading are advised by Norwest to take no action until a further announcement is made. Mr. Nicholas Lyle, the Receiver, who is a partner in the London office of chartered accountants Chartered Baker, has said that since the Hudson group went into receivership on October 22, he and his staff have been continuing to trade with the support of customers and suppliers.

The market value of the tractor unit, trailers and motor cars operated by the company is £2.48m, and turnover in the last complete year for which accounts are available (to March 31, 1978) was £3.18m. Tenders are required by November 30.

NORWEST HOLST N. M. Rothschild and Sons has been appointed to act as financial adviser to Norwest Holst and the minority holders. This has regard to the recent announcement of Mr. R. Slater and Mr. A. J. Lilley's desire to enter into discussions which may lead to their making an offer for the ordinary share capital of Norwest not already owned by Dunham

BIDS AND DEALS

Hollas agrees to buy Thrells

Hollas Group has reached agreement in principle for the acquisition of Thrells, a private company, for an initial consideration of £1.35m. The consideration payable on completion will be satisfied by the issue of ordinary shares of 5p credited as fully paid.

It is proposed that shares to the value of £1m will be placed privately on behalf of the vendors by Messrs. Henry Cooke, Launceston and Company. A deferred consideration of up to £300,000 will be payable by three annual instalments provided that the net profit before tax of Thrells for the years ending on March 31, 1981, 1982 and 1983, exceed in total £1.5m.

Electronic Installations and Equipment manufacturer of electronic precision weighing machines, has received £295,000 backing from Daway, Day and Co. and Industrial and Commercial Finance Corporation. The finance comprises equity, preference shares and a loan. Daway Day and ICFC will each become owners of 24 per cent of the enlarged equity of the company, the balance being owned by the directors.

BURNETT & HALLAMSHIRE Burnett and Hallamshire Holdings has purchased approximately 274 acres of freehold land at Acrefield, Wrexham, for £340,000 under the option granted on August 30, 1979, by Temple Investment and Finance Company.

Under the agreement, £170,000 has been paid by Rhos Fireclays to B and H as a contribution towards restoration of part of the land. Approximately 160 acres is subject to certain buy-back arrangements with third parties unconnected with Temple.

CORAL EXPANDS IN PLYMOUTH Coral Racing has acquired Hooper's of Plymouth (Bookmakers) for an undisclosed sum. The six licensed betting offices are all situated in Plymouth and bring Coral's representation in that town up to 10 units, and their total number of offices throughout the country to 628.

Mr. Harold Hooper retains his controlling interest in Hooper's of Plymouth (Cash Betting) which operates five small betting offices. JEWELLBOND E & A ACCEPTANCES The offer from Jewellbond for Estates and Agency Holdings has been accepted by holders of 4,600 ordinary shares (0.1 per cent). Associates of Jewellbond, namely, Mr. Rosefield and his associates, and family interests of Mr. Lewis and Mr. Davis, owned 1,931,118 and 1,344,710 Estates ordinary shares respectively prior to the making of the offer.

The offer has been extended for a further 14 days until November 29.

Hollas agrees to buy Thrells

Hollas Group has reached agreement in principle for the acquisition of Thrells, a private company, for an initial consideration of £1.35m. The consideration payable on completion will be satisfied by the issue of ordinary shares of 5p credited as fully paid.

It is proposed that shares to the value of £1m will be placed privately on behalf of the vendors by Messrs. Henry Cooke, Launceston and Company. A deferred consideration of up to £300,000 will be payable by three annual instalments provided that the net profit before tax of Thrells for the years ending on March 31, 1981, 1982 and 1983, exceed in total £1.5m.

Electronic Installations and Equipment manufacturer of electronic precision weighing machines, has received £295,000 backing from Daway, Day and Co. and Industrial and Commercial Finance Corporation. The finance comprises equity, preference shares and a loan. Daway Day and ICFC will each become owners of 24 per cent of the enlarged equity of the company, the balance being owned by the directors.

BURNETT & HALLAMSHIRE Burnett and Hallamshire Holdings has purchased approximately 274 acres of freehold land at Acrefield, Wrexham, for £340,000 under the option granted on August 30, 1979, by Temple Investment and Finance Company.

Under the agreement, £170,000 has been paid by Rhos Fireclays to B and H as a contribution towards restoration of part of the land. Approximately 160 acres is subject to certain buy-back arrangements with third parties unconnected with Temple.

CORAL EXPANDS IN PLYMOUTH Coral Racing has acquired Hooper's of Plymouth (Bookmakers) for an undisclosed sum. The six licensed betting offices are all situated in Plymouth and bring Coral's representation in that town up to 10 units, and their total number of offices throughout the country to 628.

Mr. Harold Hooper retains his controlling interest in Hooper's of Plymouth (Cash Betting) which operates five small betting offices. JEWELLBOND E & A ACCEPTANCES The offer from Jewellbond for Estates and Agency Holdings has been accepted by holders of 4,600 ordinary shares (0.1 per cent). Associates of Jewellbond, namely, Mr. Rosefield and his associates, and family interests of Mr. Lewis and Mr. Davis, owned 1,931,118 and 1,344,710 Estates ordinary shares respectively prior to the making of the offer.

The offer has been extended for a further 14 days until November 29.

BOC buys remaining 50% of Mediada

BOC International has agreed with AS Fortia, Sweden, to buy the remaining 50 per cent of shares in Mediada AB, the Swedish medical equipment company which, since 1973 has been under the joint ownership of both parties.

Completion of the acquisition is scheduled for December 31 this year. The consideration involved is not material in relation to the net assets of BOC.

CARRINGTON VIYELLA PURCHASE Carrington Viyella, through its wholly-owned subsidiary Derwest Jennings of Leeds, has purchased from the Receiver certain assets of Heptoco Group and Clarke (Britex). Several brand names have also been acquired including Heptoco of England and it is intended to develop the brand image both in the UK and overseas.

ASSOCIATES DEALS On November 19 Cozeo and Company purchased 7,000 ordin-

Chris Hudson (Intl.) put up for sale by Receiver

The Receiver at Chris Hudson (International) has set details of the company to be sold to organisations which have expressed interest in acquiring part or all of it. Mr. Nicholas Lyle, the Receiver, who is a partner in the London office of chartered accountants Chartered Baker, has said that since the Hudson group went into receivership on October 22, he and his staff have been continuing to trade with the support of customers and suppliers.

The market value of the tractor unit, trailers and motor cars operated by the company is £2.48m, and turnover in the last complete year for which accounts are available (to March 31, 1978) was £3.18m. Tenders are required by November 30.

NORWEST HOLST N. M. Rothschild and Sons has been appointed to act as financial adviser to Norwest Holst and the minority holders. This has regard to the recent announcement of Mr. R. Slater and Mr. A. J. Lilley's desire to enter into discussions which may lead to their making an offer for the ordinary share capital of Norwest not already owned by Dunham

CORAL EXPANDS IN PLYMOUTH

Coral Racing has acquired Hooper's of Plymouth (Bookmakers) for an undisclosed sum. The six licensed betting offices are all situated in Plymouth and bring Coral's representation in that town up to 10 units, and their total number of offices throughout the country to 628.

Mr. Harold Hooper retains his controlling interest in Hooper's of Plymouth (Cash Betting) which operates five small betting offices.

JEWELLBOND E & A ACCEPTANCES The offer from Jewellbond for Estates and Agency Holdings has been accepted by holders of 4,600 ordinary shares (0.1 per cent). Associates of Jewellbond, namely, Mr. Rosefield and his associates, and family interests of Mr. Lewis and Mr. Davis, owned 1,931,118 and 1,344,710 Estates ordinary shares respectively prior to the making of the offer.

Advertisement for F.F. 60,000,000. République de Haute-Volta. BANQUE INTERNATIONALE POUR L'AFRIQUE OCCIDENTALE. BANQUE NATIONALE DE PARIS. BANQUE DE L'UNION EUROPEENNE.

KENNECOTT. Producer of copper, molybdenum, gold, silver, lead, zinc, chromium, specialty industrial products, pollution control equipment, titanium slag, iron and iron powders. QUARTERLY DIVIDEND. A cash distribution of 35¢ per share (a total of approximately \$11,000,000) was voted by the Board of Directors to be paid December 17, 1979 to Kennecott shareholders of record at the end of business on November 27, 1979.

WASHINGTON, D.C. A Renaissance of Graciousness. A luxury hotel in the great American tradition. Elegant, quiet, unspoiled - cover a convention. THE MADISON. 12th & M Streets, N.W., Washington, D.C. 20005. Tel: 64245. Of see your travel agent. Marshall D. Coyne, Proprietor.

C.E. Heath & Co. Limited. INTERIM REPORT 1979-80. Unaudited results for the six months to 30th September 1979. COMPARATIVE RESULTS. Six months to 30th September 1979. Year to 31st March 1979. Net Brokerage income 2,804. Net Underwriting income 2,524. Operating profit 5,872. Net profit attributable 2,746. Earnings per share 9.7p. Dividend per share (gross) 10.0p.

Companies and Markets

Wade Potteries ahead to £1.36m: dividend up

SALES OF Wade Potteries increased from £8.82m to £9.34m in the year ended July 31, 1979, and pre-tax profits were higher at £1.36m, compared with £1.03m previously.

With first half profits showing a rise from £360,162 to £529,538, the directors were confident that the year would produce a further satisfactory result.

A final dividend of 1.325p is recommended making a total of 1.82p compared with an adjusted 1.121p. Stated earnings per share are 10.39p (8.95p) and net assets per share amount to 38.86p against 30.09p.

Capital expenditure during the year amounted to £831,000.

The directors say increased facilities are approaching completion at Wade Heath and Govecroft and should bring beneficial results during the second half of the current year.

However, full impact of the considerable capital outlay and the extra space and equipment which this will provide at George Wade and Sen will not be felt until the following year.

There is bound to be some disruption during the early part of the current year, particularly in Scotland, where the group is transferring part of the production to a new factory.

Demand for products remains at a satisfactory level and, bur-

BOARD MEETINGS

The following companies have notified dates of Board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available as to whether dividends are to be declared or the amounts shown below are based mainly on last year's timetable.

TODAY
 Interims: Allied Leasing Industries, Beby Leola, Brunning, Cockshaw, Duple International, International Point, Northern Securities Trust, Property Partnerships, Teaco, J. O. Walker, Wedgwood.

Finals: Barton Transport, Burton, Kwik Save Discount, Stockholders Investment Trust, Tinkhairs and Lancashire Investment Trust.

FUTURE DATES
 Interims: Brit. Bldg. & Engr. Appliances Dec. 6
 Century Oil Nov. 22
 Crosby Spring Inventions Nov. 29
 Derrington Nov. 26
 Olson (David) Nov. 26
 Pagler-Hansley Dec. 5
 Triplex Foundations Nov. 22
 Vinten Dec. 4

Finals: Kwik Industries Dec. 4
 Royal Bank of Scotland Nov. 29
 W. Ribbons Nov. 28

Unforeseen circumstances: The Board feels that the year ahead should be one of further progress.

● **comment**
 After a 47 per cent half-time rise, Wade Potteries is up to ex-

pectations with a full year increase of 31.7 per cent which is linked nicely with a 62.3 per cent rise in the total net dividend.

Strong demand for industrial ceramic products and the more ornamental side of the pottery business has contributed to the advance, as has the group's improved productive capacity which has helped margins. During the past year the group spent some £391,000 enlarging plant facilities and this should boost profits by the second half of the current year. This capital expenditure was financed mainly out of cash flow; the balance sheet is healthy and borrowings are negligible. Wade seems capable of continued growth, albeit — at a possibly slower rate. The P/E comes to 4.5 on stated earnings and the yield stands at 5.6 per cent at 46p, down 1p.

MERCURY SECS. AHEAD SO FAR

The directors of Mercury Securities announce that profits for the first six months of the current year are higher than those for the corresponding period last year.

Profits for the whole of 1978-79 were £2.29m.

Globe Trust to raise dividend

FOR THE current year ending March 31, 1980, Globe Investment Trust is expected to pay a total dividend of 9.05p, compared with 5.6p for last year.

Accompanying a substantial increase in the first half revenue figures is the lifting of the interim dividend from 2.5p to 3.55p net, including a special 0.8p. And the directors are forecasting a final of 3.5p compared to 3.1p last time.

Gross revenue for the six months to September 30, 1979 rose £1.47m to £11.43m, and the pre-tax balance increased £1.35m to £9.77m. Tax takes £3.35m (£3.11m) and minorities £16,000 (£12,000).

At September 30, net asset value was 178p, or fully diluted 177p; these compared with 133p and 179p respectively at March 31.

Tyzack Sons & Turner profit lower

Following the downturn from £1,061 to £57,570, at midway, pre-tax profits of W. Tyzack, Sons and Turner fell from £157,075 to £30,725 in the year ended July 28, 1979. Turnover amounted to £3,14m against £4,57m. No final dividend is being

Engineering dispute mars outlook at Smiths Inds.

WITHOUT THE damaging effect of the engineering strike at the beginning of the year and taking into account encouraging order books, a strong financial position and increasing productivity, Mr. Roy Sisson, chairman of Smiths Industries, says in his annual statement that he would have forecast a further advance in turnover and profits.

Given reasonable stability in the industries the company serves and a determination to recover lost ground this objective may still be achieved but the task will be formidable, he states.

As reported on November 14, pre-tax profits for the year to August 4, 1979, improved from £22,09m to £25.14m. Turnover, which breaks down as to 5 per cent for UK use and 46 per cent overseas, advanced from £254.75m to £284.65m.

Commenting on divisional performances, the chairman reports the company's success in the aerospace and defence industries is reflected in the results. Profits from aerospace and defence systems for the year reached £5m and orders in hand at the year end were at record levels.

The commercial side of the marine equipment and maritime services business continued the downward trend evident in the

second half of last year. It is difficult to foresee other than a modest improvement during the coming 12 months. The rationalisation of this business continues and indications are that the benefits of these actions will make themselves evident by the second half of the current year, Mr. Sisson adds.

In the medical division, both Portex and Surgical Equipment Supplies enjoyed another good year's trading and prospects are bright.

Tubing interests had another successful year but demand for industrial instruments and for industrial rubber products was low as the results disappointing.

In motor accessory sales and service division turnover was maintained in relatively stable markets and profit remained at a satisfactory level. In similar market conditions the car radio division achieved further growth in turnover and profits.

Earlier investment in conjunction with the motor trade to establish a nationwide network of specialist installation centres for tachographs ensures that the company is favourably placed to take full advantage of the business opportunities that will be created by the implication of EEC legislation.

The spark plug division completed a contract for isostatic

presses for the U.S. and prospects for further business are very encouraging.

A return to profitability is expected from the watch and clock operation and it is envisaged that the new subsidiary Heacon Products in Singapore will also become profitable in the current year.

In North America the aviation division moved into profit after a period of relatively heavy development expenditure that is continuing. The order book for 1979-80 is strong.

Meeting, Crickeadon, NW, on December 12 at noon.

Prudential annuity rates

The Prudential Assurance Company, the largest life company in the UK, has improved its immediate annuity rates by £12 per annum for each £1,000 invested. This rise reflects the recent increase in interest rates over the medium term following the increase in MLR.

THE OPTIONS ANALYST™

...to help you make those tough options trading decisions.

You can calculate put & call prices, option leverage, hedge ratios, option price movement "on the fly", over/under valuation and much more — wherever you happen to be. The Options Analyst's preprogrammed Texas Instruments calculator also lets you generate profit/loss projections for option purchases, spreads, combinations, covered, ratio, naked writing — 34 different strategies in all — quickly and accurately.

You'll get more efficient use of your analysis time by leaving the detailed calculations to the machine. Full mathematics are built into the Options Analyst system; so operation becomes a simple step-by-step process as described in your detailed User Manuals. All calculations are based on industry-accepted mathematical models so you can use the data with confidence no matter what investment method you currently employ.

To help further, Datalab publishes two newsletters, a monthly and a bi-weekly, that supply Implied Volatilities using the Black-Scholes pricing model for all options traded on the five U.S. Options Exchanges, so your calculations remain accurate and up to date.

To receive a comprehensive brochure which we have arranged to post locally, just mail this Inquiry Form to:

DATALAB INC
 Goldenrod Road
 Leeds LS12 6BL, U.K.
 (In U.K. use FREEPOST)

(United States offices)
DATALAB INC
 3634 Science Center
 Philadelphia, PA 19104
 U.S.A.

DATALAB INC, Leeds LS12 6BL, U.K. FT9

Name _____

Company _____

Address _____

Town _____ Country _____

Reximore LIMITED INTERIM STATEMENT

TURNOVER PLUS 7.8 %
PROFITS PLUS 12.2 %

	Unaudited	
	6 months to 30.9.79	6 months to 30.9.78
Group Turnover	18,740,000	17,387,000
Pre-Tax Profits	786,469	701,012
Less U.K. Taxation	NIL	NIL
	786,469	701,012
Less Minorities	(5,999)	(6,930)
	780,470	694,082
Dividend (Net)*	(148,628)	(122,935)
Retained	£631,842	£571,147
Earnings per Share	8.05p	7.14p**

NOTES: *1979 interim dividend includes the 500,187 shares issued by vendor placing in October, 1978.
 **E.P.S. for 1978 has been adjusted for the 1 for 10 capitalisation approved at the A.G.M. in August, 1978.

The Directors have declared an interim dividend of 1.458p per share net (1.395p per share 1978). With the associated tax credit of .625p per share (.688p per share 1978) makes a total of 2.083p per share.

The dividend rate per share has been maintained on the increased share capital, this represents a 10% gross increase or 15% net cash increase after adjusting for the reduced rate of taxation.

The dividend will be paid on Tuesday, 22nd January, 1980.
 Retained earnings are up 11.0% on the corresponding period of 1978, and it is anticipated that taxation will again not affect the full year's figures.

The Directors are particularly pleased with this result which has been achieved by the efforts of all elements of the Group, and despite the increased interest rates which have been impinging on industrial performance during the trading period.

M. J. H. Nightingale & Co. Limited

62-63 Threadneedle Street London EC2R 8HP Tel: 01 638 8651

1978/79	Company	Last price	Change	Gross Div (p)	Yield %	P/E
99	39 Airprung Group	78	-2	6.7	8.8	4.61
50	35 Armitage and Rhodes	43	-1	3.8	8.8	2.81
222	143 Bardon Hill	22	-1	13.5	6.3	6.51
101	50 Bebank Ord	83	-	9.0	5.4	10.2
92	83 Deborah New Ord July	93	-	-	-	-
	paid Rights	83	-	17.5	5.0	-
383	140 Deborah 17p, CULS	353	-	12.8	12.3	8.11
147	100 Frederic Parker	704	-	16.5	15.0	-
158	110 George Blair	59	-	8.9	3.51	-
81	45 Jackson Group	117	-1	3.2	6.2	10.3
153	97 James Burrough	250	-	31.3	12.5	4.91
342	250 Robert Jenkins	230	-	14.3	6.2	6.01
232	160 Torday Limited	71	-	2.6	4.0	4.91
34	14 Twinlock Ord	75	+1	12.0	16.0	-
62	69 Twinlock 12p, US	52	-1	2.6	5.0	11.1
84	23 Unilock Holdings	182	-	11.5	6.3	7.1
193	126 W. S. Yeates	80	-2	-	-	-
189	185	185	-	-	-	-

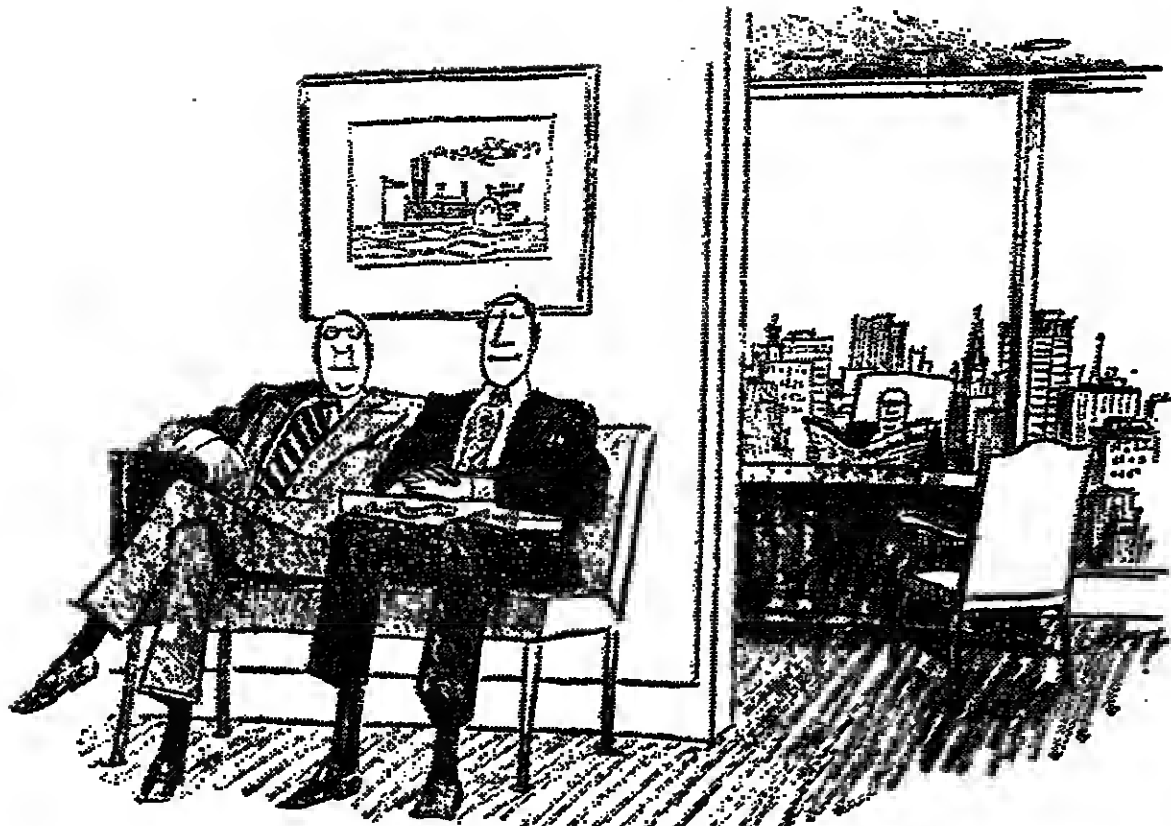
*Accounts prepared under provisions of SSAP 15.

Once again you can read famous people's letters.

- Be they angry, bitter or sad letters.
- Contentious, political or controversial letters.
- Wise letters, witty letters.
- Deeply heartfelt personal letters.
- Long, laudatory letters. Short, rather rude letters.
- Flippant, frivolous or silly letters.
- And, of course, letters of national importance.
- Turn to The Times Letters Page.
- It's a unique forum for public debate.
- One of the best ways of keeping in touch with the burning issues of the day.
- And sheer, unbridled entertainment.

THE TIMES
 Back to keep you better informed.

هكذا من التحول



U.S. Bank executives pay \$250 per year to read the daily newspaper of banking.

The more important they are the easier they are to reach.

1980 INTERNATIONAL SECTIONS

Austria	January 18
International Banking Annual (including Foreign Banking in U.S.)	March 14
Greece	March 26
Japan	May 9
Yugoslavia	May 23
Benelux Countries	May 29
France	June 11
West Germany	June 17
United Kingdom	June 25
Mexico	July 3
Singapore	July 11
Italy	June 15
World's 500 Largest Commercial Banks — as of Dec. 31, 1979, with Midyear Review	July 25
World's 300 Largest Savings Banks — as of Dec. 31, 1979	August 1
Scandinavia	September 5
World Bank — International Monetary Fund — Annual Conference	September 29
Korea	September 30
ABA International Banking Section — Circulated at Chicago	October 15
Nigeria	October 31
National Foreign Trade Convention	undetermined
Arab Banking and Finance	November 7
Spain	November 14
Turkey	November 18
South America	November 21
Portugal	November 26
Correspondent Banking Annual	December 10
European Economic Community (EEC)	December 16
Australia	December 19

International editions close 10 days in advance of publication.

Banks and other firms located outside the United States place more than 250,000 lines of advertising in American Banker each year. That's about 22 times the advertising they place in the second-ranked U.S. banking journal. The reason: This newspaper is "must reading" for decision-making bankers. For 1980, individual subscribers pay \$250* to get our exclusive daily news and features. The average subscriber's household income is a record breaking \$69,300, and 38% of them serve as directors on outside boards. In all, more than 70,000 executives read us daily.

You may advertise in any of 250 news filled editions — including the special editions listed here. Please contact your nearest representative for full details.

*\$275 abroad.

American Banker

The only daily banking newspaper
Established in 1836

NEW YORK Office
Shelia M. Driscoll,
Manager, International Div.
Neil Fitzgerald,
Production Manager
American Banker
525 West 42nd Street
New York, New York 10036
Telephone: (212) 963-1900
Cable: AMBANKER
ITT Telex: 421768 ABRR
RTI Telex: 177630 ABRR

EUROPEAN Office
Alfred K. Kostic, Director
Kordell Aufhaufel, 63
8 Munich 19, Germany
Telephone: 17-62-82
Telex: 522977
ASIAN Office
Yasushi Matsushita, Director
C.P.O. 1486
Tokyo, 100-91, Japan
Telephone: (03) 413-7613
Cables: Matsushitatic

AUSTRALIA
J.L. Hindmarsh Media Reps.
24 Kent Street, Sydney, 2000
Telephone: 241-2471

KOREA
Tae Hyung Chung
KUMA
C.P.O. Box 5197, Seoul
Telephone: 776-4527

NIGERIA
A. Megala
Nigeria Advertising Services Ltd.
P.O. Box 4715, Lagos
Telephone: 44730

PHILIPPINES
L.L. Nunez
Far East Media Consultants
426 Roxboro Building
Ayala Avenue, Makati, Metro Manila
Telephone: 63-56-95

SINGAPORE, MALAYSIA, INDONESIA
Guy Goh
PACOM Publications Pte. Ltd.
31 Chow House
140 Robinson Road, Singapore 1
Telephone: 222-5166

TAIWAN
J.F. Chang
EPOCH Publicity Agency
P.O. Box 1642 Taipei
Telephone: 63-56-425

MINING NEWS

Facing up to a decline in gold production

BY KENNETH MARSTON, MINING EDITOR

SOUTH AFRICA'S gold production remains fairly static despite the high bullion prices. In October it amounted to 2,807,283 oz, bringing the total for the first 10 months of this year to 28,935,583 oz compared with 28,925,418 oz in the same period of 1978. But that year's total of 704.5 tonnes was only marginally above that of 1977 which was the lowest since 1961.

The trend bears out the recent forecast by Mr. Dennis Etheredge, president of South Africa's Chamber of Mines and head of the Anglo American Corporation group's gold division. He reckoned that South Africa's total output for this year would be nearer to 700 tonnes than earlier industry estimates of up to 715 tonnes.

Total non-Communist world production of gold last year was 969 tonnes. Soviet bloc supplies to western markets were estimated at 410 tonnes.

Although the advance in the gold price in recent years has outstripped that in South African mine operating costs—which have been reasonably well contained—it has not beaten the escalation in the cost of opening up and running new mines which, these days, tend to be based on lower grades.

Mr. Etheredge has pointed out that such economies which were reckoned to be uneconomic to mine two or three years ago when the bullion price was well under \$200 per oz are still uneconomic at today's levels of nearly \$400.

As an example of the rise in capital costs, the new Khasandram mine, which work started in 1975, cost R124m (£101m) to reach first production. If it started today, it would

require at least R350m. Therefore, much of the new gold production is going to come from the less costly expansion of existing operations. Mr. Etheredge reckoned that while the expansion in gold mining in the 1980s would at least match that seen over the past five years, it would still not reach the full potential which the higher gold price has made possible.

Paradoxically, the rise in gold prices has had the effect of checking any increase in existing mine gold output that would otherwise have been seen. This is simply because much of the low-content gold ore that was previously unpayable in existing mines has now become economic. And apart from its exploitation being good mining practice, South African mining lease terms require that such low-grade ore should be mined.

Thus a mine operating at full ore holding capacity will derive less production of gold from a lower overall grade of ore worked. Virtually all the South African mines are now being a larger proportion of this lower-grade material and the trend will continue because the implementing of a change in mining plans can take some six to nine months to put into effect; the time lag can extend to 18 months where new mining areas have to be opened up.

So mine production can be expected to decline for a while and costs will, inevitably, increase. If gold prices stay at near current levels, the impact on buoyant, and highly taxed, profits could be even more severe, especially with most South African mining shares new on a potential dividend yield basis of around 20 per cent.

A sharp fall in the metal price, however, would change the picture. For the most part such a fall is not expected. Mr. Etheredge is cautious for the outlook, but not usually so: Mr. Robert Guy of bullion dealers N. M. Rothschild feels that the price may move to higher levels; and London stockbrokers Rowe and Pitman anticipate that it may fluctuate overall between \$350 and \$400 and they thus recommend investment in South African gold shares.

The fact is, of course, that nobody really knows what the bullion price will do over the next year or so. But, equally, nobody seems anxious to sell the metal at this stage; this is shown by the recent study course of the bullion price following its end-October reaction.

Gold shareholders may take a line from this, especially in view of the pending end-year dividend declarations which can hardly fall to make a good showing. Payments from the Consolidated Gold Fields group mines, for example, are due on December 11.

New investors, however, might take a safer course of concentrating on the medium- to high-grade mines which are not in a position greatly to reduce their overall mining grades. They include: Blyvoor, President Brand, President Steyn, the gold-uranium projects in South Africa, United Western Deep and Western Holdings.

Because of their vulnerability to any fall in the gold price, the marginal, or very low grade, mines should be avoided. A possible exception to this could be Harmony if only because it can live reasonably well from the earnings of its uranium operations alone.

Prain warns on cobalt panic

MAJOR cobalt consumers should not be stampeded into panic measures to assure future supplies at cobalt's present price differential over other metals, a London symposium on the availability of strategic minerals was told yesterday, reports Paul Cheswright.

Sir Ronald Prain, past chairman of Ron Selection Trust, in a paper prepared for the Institution of Mining and Metallurgy symposium, argued that the present shortage cannot be a permanent feature of the market.

"The price of cobalt in the long term might be three or four times the price of nickel rather than ten times, as has been seen this year," he said.

Maintaining that there is no shortage of cobalt resources or indeed of copper or nickel, Sir Ronald considered that the best way to assure adequate production is for more investment, encouraged by tax incentives, insurance arrangements and some guarantee of markets.

More investment was also urged by Dr. H. R. Bichau, a director of Robertson Research International, but in domestic tin and tungsten. The biggest single drawback to exploration is the confusion of mineral rights, he said. On a geological basis there is no question that resources exist in south west England to reduce unnecessary dependence on imports.

But Mr. K. A. Gilbert, the chairman of both Geever Tin and the Cornish Chamber of Mines, said he doubted whether Cornwall could mine enough each year to satisfy UK demand.

BOND PLEASED WITH SANTOS

Australia's Bond Corporation reckons that it is well placed to benefit from escalating prices for oil and other hydrocarbon products through its involvement in the Cooper Basin oil and gas project.

In August 1978 Bond Corporation acquired a 37.5 per cent stake in Santos, the major partner in the Cooper Basin project, a near 31 per cent stake in Basin Oil, and around 64 per cent of Reef Oil.

Subsequent legislation passed by the then ruling Labour Government of South Australia required Bond to reduce its holding in Santos to 18 per cent.

However, in the 1979 annual report, Mr. Alan Bond, chairman, says that it is the company's intention to retain a substantial stake in Santos "for the long term."

He sees "real value" in energy for the coming decade and adds that with 350m barrels plus of

liquids in the Cooper Basin and with the potential of possibly two or three times that amount, Santos is assured of a sound economic base.

BRASCAN FOILED

BRASCAN, the Canadian holding company controlled by the Bronfman interests, is "surprised and disappointed" by Noranda's sales of 15m unissued shares to affiliated companies, Mr. J. Trevor Byron, the chief executive, said yesterday.

The Noranda shares have gone to Ziner Holdings, owned by the Noranda group companies, which now owns 23.6 per cent of the group, equity, and effectively stand in the way of any takeover bid.

BRASCAN, which has built up a 16 per cent stake in Noranda, was not consulted about the sale and feels aggrieved that it was not offered the chance to take part. It would like to participate in a rights offering to bring its stake up to 20 per cent.

PATINO EXPECTS PROFITS GROWTH

Patino, based in The Hague but with extensive mining interests in Canada, expects to have a satisfactory final quarter,

said Mr. Patrick Keenan, the president. Net profits over the first nine months were \$10.8m (\$5m), more than double the \$4.5m earned in the same period of 1978.

At its gold mines in the Chibougamau district of north west Quebec, new milling facilities increased gold recoveries in the third quarter. The combination of strong prices and improved metallurgical results should continue the strong profits trend, Mr. Keenan said.

At the Copper Band mine in Quebec, work has been completed on deepening an internal shaft and this will permit production boosting of ore from the 2,850-ft level before the end of the year. And the results of underground exploration at the Forage copper mine mean that production could resume in the middle of next year.

DUISBURGER

West Germany's loss-making Duisburger Kupferhütte which was acquired at the turn of the year by Rio Tinto-Zinc Corporation is to invest DM 52m (£13.6m) in the modernisation of its copper refining plant. This marks the first stage of a major investment programme due for completion by the end of 1981.

BASE LENDING RATES

A.B.N. Bank	17%	Hambros Bank	17%
Allied Irish Bank	17%	Hill Samuel	17%
Amro Bank	17%	C. Hoare & Co.	17%
American Express Bk.	17%	Julian S. Hodge	17%
A.P. Bank Ltd.	17%	Hongkong & Shanghai	17%
Bank of Montreal	17%	Industrial Bk. of Scot.	14%
Bank of N.S.W.	17%	Keyser Ullmann	17%
Banque Belge Ltd.	17%	Knewsley & Co. Ltd.	18%
Banque du Rhone et de la Tamise S.A.	17%	Lloyds Bank	17%
Barclays Bank	17%	London Mercantile	17%
Bremer Holdings	18%	Edward Manson & Co.	18%
Brit. Bank of Mid. East	17%	Midland Bank	17%
Brown Shipley	17%	Samuel Montagu	17%
Canada Perm't Trust	17%	Morgan Grenfell	14%
Cayzer Ltd.	17%	National Westminster	17%
Cedar Holdings	17%	Nerwich General Trust	17%
Charterhouse Finance	17%	P. S. Refson & Co.	17%
Choulatons	17%	Rosminster	17%
C. E. Coates	17%	Ryl. Bk. Canada (Ldn.)	17%
Consolidated Credits	17%	Schlesinger Limited	17%
Co-operative Bank	17%	E. S. Schwab	17%
Corinthian Bank	17%	Security Trust Co. Ltd.	18%
The Cyprus Popular Bk.	17%	Shenley Trust	17%
Duncan Lawrie	17%	Standard Charter	19%
Eagle Trust	17%	Trade Dev. Bank	17%
E. Trust Limited	14%	Trustee Savings Bank	17%
First Nat. Fin. Corp.	18%	Twentieth Century Bk.	18%
First Nat. Secs. Ltd.	18%	United Bank of Kuwait	17%
Robert Fraser	18%	Whiteway Leasing	17%
Robert Gibbs	17%	Williams & Glyn's	17%
Greyhound Guaranty	17%	Yorkshire Bank	17%
Guinness Mahon	17%	Members of the Accepting Houses Committee:	
		7-day deposits	15%
		1-month deposits	15%
		7-day deposits on sums of £10,000 and over	15%
		15% and over £25,000	15%
		Call deposits over £1,000	15%
		General deposits	16%

W.M. LOW & COMPANY LIMITED

"Record profits"

Summary of results for the year ended 1st September, 1979

	1979	1978
Turnover	£74,150,784	£62,074,280
Profit before Tax	2,404,420	1,301,585
Profit after Tax	1,545,181	1,127,276
Earnings per share	22.57p	16.79p
Final Dividend	4.9p	4.4615p

Extracts from the Statement by Mr. A. M. Drysdale, Chairman

• SUPERMARKET TRADING

The substantial improvement in the second quarter, which I reported with the half-yearly figures, was maintained and even bettered in the second half. Sales have been buoyant, and the improvement in gross margins which became evident in the second quarter has been sustained. Our percentage increase in turnover for the year, leaving inflation out of account, is higher than the national average for the sector, indicating that we have once again managed to increase our share of what tends to remain a static market.

• ACCOUNTS

Turnover is up by 19.2% at £74 million. Thanks to the better margin position the operating profit has improved upon last year's disappointing result by 63%, and at £2.42 million is easily the highest in the Company's history.

• DIVIDEND

Your Directors recommend a final dividend of 4.9p per share. With the related Tax Credit the proposed dividend will be equivalent to 7.0p per share.

• DEVELOPMENT

New stores were opened during the year at Berwick-upon-Tweed (9,000 sq ft sales area) and Perth Road, Dundee (7,000 sq ft), trading in

the former being noticeably successful from the outset. There was also an 11,500 sq ft extension of the selling area at the St. Andrew's branch. Trading ceased during the year in our small stores at Perth Road, Dundee and Leven. The net addition to our sales area during the year was some 50,000 sq ft.

In October we had a successful opening at Boness (7,000 sq ft) and in March we expect to begin trading in a new store at Bathgate (also 7,000 sq ft) which will replace the very small existing branch. No further openings are scheduled for the current financial year, but in the autumn of 1980 we have the exciting prospect of opening a 27,000 sq ft superstore in a further phase of the splendid shopping complex at Cumbernauld. Shortly thereafter we plan to open with 12,000 sq ft at Glasgowmouth. Thus, as I reported last year, "the momentum of our development programme is being steadily maintained", and thereon largely rests the continuing growth of the business itself.

• LOWFREEZE

The development of the Low freeze Division continues apace, and turnover was up by 88% over the previous year. Our expectation that it would contribute some 7% of the total group profit was borne out, but of course that total was much higher than anticipated, making the Low freeze performance that much more praiseworthy.

• OUTLOOK

Circumstances can change greatly in the course of a year, indeed in far less, however, trading experience to date this year is encouraging.

PETERS STORES LIMITED

RETAILING LEISURE WEAR, LEADING BRANDS OF JEANS, CASUAL WEAR, INDUSTRIAL CLOTHING, FOOTWEAR, PROTECTIVE CLOTHING, CAMPING & SAILING EQUIPMENT— FASHION CLOTHING FOR YOUNG PEOPLE.

• This year has had an unusual trading pattern. We had a satisfactory first half but the severe winter and transport strikes combined to make the early part of this calendar year very bleak. Trade then picked up and continued to progress through the Spring. However, this all came to an abrupt end with the advent of the VAT increases in June. In the event we made a Total Profit before taxation of £573,936 as compared with £435,052 last year.

• On the 4th April, 1979 we declared an Interim Dividend of 1.0p and the Board now proposes a final dividend of 2.0p, making a total for the year of 3.0p (2.0p).

• In May we acquired the whole of the Share Capital of Isaac Walton & Company Limited, a Departmental Store Group with branches in Newcastle, Whitby Bay, Hexham and Morpeth. We are in the process of upgrading and revitalising the Newcastle Store and we hope that increased sales and profits will be reflected in next year's accounts.

• The Camping Section of the Company had an extremely successful year, despite the poor weather and its contribution to sales increased by 80%.

• We are living in very uncertain times and the first quarter of our new year got off to a poor start, mainly because of the VAT increases which had a marked effect on sales. We are coming up to our busiest period and I hope that the October tax concessions will boost sales up to Christmas.

J. P. GOULD, Chairman

The Annual General Meeting will be held on 20th December, 1979.

Copies of the Report and Accounts can be obtained from: The Secretary, Peters Stores Limited, Julius House, Norman Road, North Shields, Tyne & Wear, NE29 7UX.

This Advertisement is issued in compliance with the requirements of the Council of The Stock Exchange and does not constitute an invitation to purchase or subscribe for shares.

Dundonian Limited

(Registered in Scotland No. 18297)

Subject to the passing of the Resolution to be proposed at the Extraordinary General Meeting of the Company to be held on 23rd November, 1979:—

Share Capital		To be issued all paid and underwritten	
	Authorised	Issued & fully paid	
	£	£	£
Ordinary shares of 20p each	2,800,000	1,020,660	1,020,660
11 1/2 per cent Cumulative Convertible Preference Shares of £1 each	2,776,650	—	2,551,650

Application will be made to the Council of The Stock Exchange for the whole of the share capital issued and to be issued to be admitted to the Official List.

Particulars relating to the Company will be available from 23rd November, 1979 in the Extraordinary General Meeting and copies of the Statistical Card containing such particulars may be obtained during normal business hours on any weekday (Saturdays excepted) up to and including 14th December, 1979 from:—

Rowe Rudd & Co. Limited
63, London Wall, London EC2M 5UQ

Companies and Markets

INTERNATIONAL COMPANIES and FINANCE

NORTH AMERICAN NEWS

Amdahl and Memorex call off \$1bn computer merger

BY DAVID LASCELLES IN NEW YORK

AMDAHL and Memorex, the two Californian computer companies who were to have come together to form one of the largest companies in the business, yesterday called off their merger talks.

They gave no explanation for the break, and the news came as something of a surprise to Wall Street. One of the few things that is certain is that the resignation nearly three months ago of Mr. Gene Amdahl from the company that he founded had nothing to do with it.

Strong third quarter at Macy's

BY OUR NEW YORK STAFF

40RE U.S. stores have reported higher profits for the third quarter of the year. Macy's, the leading department store, said earnings were \$22.7m or \$2.16 a share, up 70 per cent on a last year's \$13.4m or \$1.26.

The same as that in the second quarter. He added: "Sales and earnings in the important fourth quarter will depend primarily on the state of the economy and the impact of weather in major market areas. We would expect K Mart sales will remain in the 10-15 per cent increase range experienced for the past several months. Inflationary pressures on expenses are expected to continue."

Allied Stores Corporation, has pushed sales ahead by 8.7 per cent to \$540.9m in the third quarter. Net earnings rose 18 per cent to \$17.5m or from 13 cents to 86 cents a share.

UV Industries studies bid

BY OUR FINANCIAL STAFF

IV INDUSTRIES, the metals and coal group, said it has received from Salomon Brothers, the investment banking firm, to analyse the rival offers it has received from Sharon Steel and Edinco Group, the insurance and leasing conglomerate.

Mr. Victor Posner, the Miami industrialist and investor merged as a rival contender in UV Industries with a bid worth \$517m, topping the \$49m offer just over a week ago by Roliaice Group. The Posner bid came after a meeting of directors from two of his companies, NVF and Sharon Steel and works out at \$34 a share, consisting of \$7 in cash and \$27 in debentures.

FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists. For further details of these or other bonds see the complete list of Eurobond prices published the second Monday of each month.

Table with columns: RAUGHTS, Issued, Bid, Offer, day, week, Yield. Lists various international bonds like Australia 10 89, Canada 10 89, etc.

Table with columns: RAUGHTS, Issued, Bid, Offer, day, week, Yield. Lists various international bonds like Canada 10 89, France 10 89, etc.

Table with columns: RAUGHTS, Issued, Bid, Offer, day, week, Yield. Lists various international bonds like France 10 89, Germany 10 89, etc.

Table with columns: STRAIGHTS, Issued, Bid, Offer, day, week, Yield. Lists various international bonds like Italy 5.6 83, etc.

Table with columns: OTHER STRAIGHTS, Issued, Bid, Offer, day, week, Yield. Lists various international bonds like Bell Canada 10 89, etc.

Table with columns: FLOATING RATE, Spread, Bid, Offer, Cdn, Cpn, Cld. Lists various floating rate bonds like Banco di Roma Int. 8 87, etc.

Table with columns: CONVERTIBLE BONDS, Cnv, Cvr, Bid, Offer, day, week, Yield. Lists various convertible bonds like AGA A/Belgas 7 82, etc.

Change on STRAIGHTS... Italy 5.6 83... 20 85 85 0 -0.1 3.14

Canada to reduce stake in CDC

By Robert Gibbons in Montreal

THE CANADIAN Federal Government plans to reduce its majority ownership of the Canada Development Corporation, which was set up by the previous Government of Mr. Trudeau in 1971 to foster Canadian ownership of her industrial sectors.

The Federal Government, however, says that it will retain a significant holding in CDC. It wants to reduce its present 66 per cent of the voting rights to less than 50 per cent in about six months and eventually to about 10 per cent.

Ford of Canada omits dividend

TORONTO — The Toronto Stock Exchange said that Ford Motor of Canada has omitted its regular quarterly dividend of \$1.25 normally payable in January.

Ford of Canada is an \$8 per cent owned unit of Ford Motor of the U.S. Ford said in a statement that the primary reasons for this decision were the current unfavourable earnings level of the company and the need to conserve cash for major facility programmes, particularly the new engine and casting plants under construction in Windsor, Ontario, Reuter.

Banks continue funding futures trading

CHICAGO — U.S. banks are continuing to finance futures trading, despite the recent caution by Mr. Paul Volcker, chairman of the Federal Reserve Board, about "speculative" loans.

In fact, First National Bank of Chicago, which established a futures financing department shortly before Mr. Volcker's warning, expects it to become a major futures financier.

Mr. Robert Volman, who heads First National's commodities and securities operation, said loans will be made for hedging, spreading and arbitraging.

It was not clear in banking circles just what the Fed meant by "speculative". Mr. Leo Melamed, special counsel for the Chicago Mercantile Exchange, maintains that to be viable "a futures market must have probably at least 50 per cent investor or speculative activity."

One view is that such "speculation" is necessary for the markets to perform their legitimate function of hedging and transferring risk, and it apparently was not the kind of speculation being referred to by Mr. Volcker.

Mr. Wallace Weisenborn, of Harris Bank's agriculture and commodity lending department, said that Harris would not finance speculative open positions.

Continental Bank vice-president, Mr. Robert Vasko, said that Chicago-based bank will continue to finance such customers as grain merchandisers to whom carrying a position is a normal event. But the bank probably would not make loans to professional speculators to carry an uncovered long or short position.

First National said that the bank will finance spreads (a spread is the simultaneous purchase and sale of futures in a different delivery month of the same commodity, or different commodities and markets), but the bank's portfolio of these loans is modest.

First National believes that the futures markets are important enough to make a strong commitment to financing participants. With growing interest in New York and increasing use in Chicago "we wanted to demonstrate we are very serious about getting more involved," Reuter.

THE PHILIPPINE INVESTMENT COMPANY S.A. Net Asset Value as of October 31, 1979 U.S.\$12.51

INTERNATIONAL CAPITAL MARKETS

Poll of banks on fears of debt default by Iran

BY OUR EUROMARKETS STAFF

INTERNATIONAL banks are being asked whether they want to press for immediate repayment of a \$700m loan the Government of Iran floated on the international capital markets in 1977.

This follows the failure by the Tehran authorities to send a regular stream of interest payments, which was due on the loan late last week. The absence of this interest payment, following the freeze of Iranian assets in U.S. banks ordered by President Carter, has aroused widespread concern in the Eurocurrency markets that Iran may be heading for default on a substantial portion of its international dollar debt.

Chase Manhattan Bank is the administrative agent bank for the loan, which was raised in the name of the Shah's Imperial Government. Earlier this year there were similar fears that the new regime in Tehran would renounce debt undertaken by the Shah's Government.

In the event, such debts were fully honoured until recent days, although earlier this year the Government back to the private sector," he Government said.

At present, Canadian individuals and institutions own about 34 per cent of the voting rights at the bank, including

European institutions participating in the \$800m loan. Bankers last night said that the poll being carried out by Chase was asking if syndicate members wanted payments of the loan accelerated — in effect, a repayment of the transaction. A majority vote by participating banks is needed to authorise a calling in of the loan.

Chase itself refused to comment on its action, stating that such matters were currently being considered by its lawyers. It was not clear, therefore, whether such repayments would be made from frozen Iranian funds in the U.S. banking system.

The U.S. Treasury has already confirmed that American banks can combine Iranian deposits against the banks' own loans outstanding to the country, in order to ensure that such credits are repaid. Citibank has publicly stated that it has taken such set-off action on one specific loan to Iran.

European banks are not subject to the Carter freeze and would not necessarily want to damage their own relationships with Tehran. They therefore face a difficult decision in deciding whether to demand repayment of the Imperial Government loan. Nevertheless, the missed pay-

ment on the Imperial Government credit will count as an event of default, and the loan could be swiftly declared as being in formal default.

This would trigger cross-default clauses on a number of other Iranian loans, where the Iranian Government has provided a guarantee.

In this event, European and Japanese banks would have little alternative but to call in their own loans to Iran, where the cross-default clause is operative.

Iranian international deposits, however, have traditionally been concentrated among U.S. and, to a lesser extent, European banks. The Japanese banking system is believed to have a relatively small amount of Iranian deposits.

U.S. banks therefore are in the most powerful position if a general default on Iranian loans has to be met from frozen Iranian funds. There is confusion among banks over the exact status of certain loan clauses which allow banks to draw on a borrower's deposits on a pro rata basis.

Iranian Government and state government debt with the international banking system is estimated at up to \$600, of which U.S. banks hold some \$2.5bn.

This suggests the latest offering — a DM100m five-year private placement at par for Oesterreichische Kontrollbank with a coupon of 8 per cent and which is being arranged by Commerzbank — being equally well received.

In the secondary market prices of older Deutsche Mark issues remain unchanged. Some recent issues, however, weakened again yesterday as investors changed the more recent higher yielding paper.

Prices in the sterling sector were between 1/2 a point off on the day, in line with the gilt-edged market.

Dollar bonds were mixed with some dealers reporting institutional interest in longer dated straight issues. The easing of Eurodollar rates did not lead to any surge in buying and prices were a little weaker on the day. Factors such as Iran and forecasts by some U.S. economists that the U.S. prime rate could move up further created uncertainty.

Kredietbank Luxembourgeoise is expected to announce a 40m unit of account issue for the Province of Quebec later this week.

Car slump hits National Steel

PITTSBURGH — National Steel Corporation's fourth quarter steel shipments will probably be "down somewhat" from last year's fourth quarter level because of poor consumer acceptance of 1980 car models.

Mr. George A. Stinson, chairman and chief executive, disclosed yesterday. Mr. Stinson would not discuss what that means for National's fourth quarter earnings, but because the capital-intensive steel industry is so sensitive to volume fluctuations, a drop in shipments usually means a drop in earnings.

Wall Street analysts are predicting that National Steel will earn about \$1.50 a share in the fourth quarter, down from \$38.5m or \$1.88 a share in the same period last year.

Despite the fourth quarter drop, however, National Steel's 1979 performance is almost certain to outstrip last year's net income of \$112.4m or \$5.85 a share on sales of \$3.79bn. In the first nine months of this year, National Steel has already earned \$105.2m or \$5.45 a share on sales of \$3.29bn.

Further steel inventory liquidation this year as many buyers "give the screw another turn," the impact on the steel industry will not be severe.

Mr. Stinson said that it is too soon to be able to accurately predict steel industry shipments in 1980. "I hope that we'll see enough of a recovery at the end of the third quarter that shipments would be in the range of 92m to 94m tons," but "there's a good element of optimism in that." The industry will probably ship about 93.5m tons this year.

Steel imports during the past few months have been disappointingly high.

Mr. Stinson said that while he has not given up on the Government's trigger price mechanism for setting a floor under imported steel prices, the steel industry must see some results "in the very near future" or use other means to try to trim the impact of imports. APJ

Everywhere the Europcar Super Service

To get the Europcar Super Service, rent your car from Europcar. In Britain, as in Europe, Africa and the Middle East, Europcar everywhere gives you good cars and an organization you can rely on.

For reservations, just call 01-848 30,34, 11, your travel agent, or the nearest Europcar rental office.

europcar rent a car. Includes a list of cities where Europcar operates: Aberdeen, Avon, Belfast, Birmingham, Bristol, Darlington, Edinburgh, Glasgow, Guernsey, etc.

INTERNATIONAL COMPANIES and FINANCE

Notice of Redemption of

BAKER INTERNATIONAL FINANCE N.V.

5 1/2% Convertible Subordinated Debentures Due 1993

Redemption Date: December 19, 1979

Conversion Right Expires: December 14, 1979

NOTICE IS HEREBY GIVEN to the holders of the 5 1/2% Convertible Subordinated Debentures Due 1993 (the "Debentures") of Baker International Finance N.V. ("Finance") that in accordance with the terms of the Indenture dated as of June 15, 1978 among Finance, Baker International Corporation ("Baker") and Citibank, N.A., as Trustee, Finance has elected to redeem all of the outstanding Debentures on December 19, 1979 at a redemption price of 104 1/2% of the principal amount thereof plus accrued interest, which will aggregate \$1,078.11 for each \$1,000 principal amount of Debentures, will be made upon presentation and surrender of the Debentures, together with all attached unmaturing interest coupons, at the offices of the Paying and Conversion Agents set forth below.

The Debentures will no longer be outstanding after the date fixed for redemption and all rights with respect thereto, including accrual of interest, will cease on that date, except only the right of the holders thereof to receive the redemption price and interest accrued to such date.

Debentureholders have, as alternatives to redemption, the right to sell their Debentures through usual brokerage facilities or, on or before the close of business on December 14, 1979, to convert such Debentures into the \$1.00 par value Common Stock of Baker International Corporation ("Baker Common Stock").

The Debentures may be converted into Baker Common Stock at the rate of 29.41 shares for each \$1,000 principal amount of Debentures. In order to effect this conversion, a Debentureholder should complete and sign the CONVERSION NOTICE on the Debenture or surrender to the Paying and Conversion Agents a similar signed notice together with the Debentures to be converted. A holder who surrenders Debentures for conversion will receive a certificate for the full number of whole shares of Baker Common Stock to which he is entitled. No fractional shares will be issued upon conversion of any Debentures, but in lieu thereof Baker will pay in United States dollars an amount equal to the market value of such fractional shares computed on the basis of the last reported sale price of Baker Common Stock on the New York Stock Exchange Composite Tape on the conversion date. If more than one Debenture shall be delivered for conversion at one time by the same holder, the number of full shares which shall be deliverable upon conversion shall be computed on the basis of the aggregate principal amount of Debentures so converted. The conversion will be deemed to have been effected on the date on which the Paying and Conversion Agents receive the Debentures surrendered for conversion. Upon conversion of Debentures no payment or adjustment will be made for interest accrued thereon. Debentures delivered for conversion must be accompanied by all interest coupons maturing after the date of surrender.

From January 1, 1979 through October 31, 1979 the last reported sale prices of Baker Common Stock on the New York Stock Exchange Composite Tape ranged from a high of \$8 1/2 per share to a low of \$3 1/4 per share. The last reported sale price of Baker Common Stock on such Composite Tape on October 24, 1979 was \$4 3/4 per share. At such last sale price per share, the holder of \$1,000 principal amount of Debentures would receive upon conversion shares of Baker Common Stock and cash for the fractional interest having an aggregate value of \$1,363.88. However, such value is subject to change depending on changes in the market value of Baker Common Stock. So long as the market price of Baker Common Stock is \$3 1/2 or more per share, debentureholders upon conversion will receive Common Stock and cash in lieu of any fractional share having a greater market value than the cash which they would receive upon redemption.

Delivery of Debentures to the Paying and Conversion Agents set forth below after the close of business on December 14, 1979, regardless of instructions in any notice, will result in the redemption of such Debentures at the redemption price of 104 1/2% of their principal amount together with accrued interest to December 18, 1979.

IMPORTANT FACTS ABOUT REDEMPTION

As described above, based upon current market prices, the market value of Baker Common Stock into which the Debentures are convertible is significantly greater than the amount of cash which would be received upon surrendering the Debentures for redemption. All rights to convert the Debentures into Baker Common Stock expire as of the close of business on December 14, 1979.

PAYING AND CONVERSION AGENTS

Citibank, N.A. Receive and Deliver Department 111 Wall Street, 2nd Floor New York, N.Y. 10038

Citibank, N.A. Citibank House, 336 Strand P. O. Box 72 London WC2R 1HB England

Citibank, N.A. Grosse Gallustrasse 16 Postfach 2505 6000 Frankfurt/Main, Germany

Citibank, N.A. Avenue de Tervuren 249 P. O. Box 7 1150 Brussels, Belgium

Citibank, N.A. Serviscentri 545-549 Postbus 2055 Amsterdam, Netherlands

Citibank, N.A. Seestrasse 25/27 P. O. Box 826 8022 Zurich Switzerland

Citibank (Luxembourg) S.A. 16 Avenue Marie Theresse P. O. Box 263 Luxembourg

Banque Generale du Luxembourg S.A. 14 Rue Aldringen Luxembourg

Dated November 5, 1979

Companies and Markets

Nestle moves into baby-foods in U.S.

By John Wicks in Zurich NESTLE, the largest manufacturing company in Switzerland, has entered the U.S. market in baby-foods with the acquisition of Beech-Nut Corporation. Financial details were available yesterday, but the move does provide, for the second day running, evidence of the Swiss company's takeover aggression. On Monday it was announced that Nestle had taken a controlling interest in the Swiss foods group, Roco.

The U.S. company has headquarters in Fort Washington, Pennsylvania, and production facilities in Canajoharie, NY, and San Jose, California. According to a statement by Nestle, contributions from the Swiss group—particularly in the fields of nutrition and research and technical consulting—will permit Beech-Nut to continue its development.

Nestle's sales of infant foods and dietetic products in 1978 were SwFr 1.31bn (\$798.7m). For the first 10 months of this year, this product group accounted for 6.7 per cent of turnover.

Speaking in Vevey yesterday, Dr. Arthur Fuerrer, Nestle's managing director, said that the transaction had been arranged through Nestle finance companies in America at an undisclosed but "not very high" price.

The new acquisition in the U.S. furthers Nestle's policy of geographical diversification and strengthens its North American base. Turnover in the area rose in dollar terms in 1978, but the rise in the Swiss franc exchange rate reduced the North American share of total turnover from 22.2 to 20.3 per cent.

With regard to the acquisition of a majority shareholding in Roco, Mr. Robert Lessel, general manager, said that Nestle had a stake of 53 per cent and 62 per cent of voting rights.

German Mobil predicts rise in earnings

HAMBURG—Mobil AG, a subsidiary of Mobil Oil of the U.S., expects net profits this year to be between DM 280m and DM 340m compared to DM 169.50m in 1978.

The company feels that it has a good chance of earning an average after-tax profit of 1.5 pfennigs per litre on its petroleum products in 1979, compared with a loss of one pfennig per litre in 1978. This would give a profit of DM 120m to DM 170m on petroleum activities, against last year's loss of DM 30m.

Earnings from exploration and production of crude oil and natural gas should be between DM 160m and DM 170m in 1979, down from last year's earnings of some DM 200m Mobil AG said. This year's expected results are relatively good compared with other competitors, chiefly because Mobil has not had to buy significant amounts of crude or oil products in the spot markets.

Bayerische Motorenwerke AG (BMW) said its shares have been admitted for listing and trading on the Vienna Bourse, from January 1, 1980. This is the first foreign listing for BMW, whose shares are listed in Frankfurt, Munich, West Berlin, Dusseldorf and Hamburg. Reuter

Swedish capital market sees a slower offtake

BY OUR FINANCIAL STAFF

THE SWEDISH capital market experienced a decline of more than a tenth in the amount raised on a gross basis by new issues of bonds in the first nine months of this year. Gross issues fell to SKr 35.4m (\$8.4bn) from the SKr 39.6bn of a year ago. The total exclude the state's lottery and savings bonds, which rose to an aggregate SKr 5.1bn from SKr 2.4bn.

The Government's own bond issues dropped to SKr 20.5bn from SKr 21.7bn, especially after a marked third quarter decline to SKr 2bn from the SKr 8.7bn total of a year ago the Central Statistics Bureau explained. This followed the increase in treasury bill issues by the state to SKr 18.3bn from SKr 2.9bn in the third quarter. In contrast the Austrian

DUTCH CHEMICAL INDUSTRY

Akzo third quarter remains buoyant

BY CHARLES BATCHELOR IN AMSTERDAM

AKZO, THE Dutch chemicals and fibres group, expects to make 1979 net profits of at least Fl 200m (\$100m) compared with only Fl 24m last year. This follows a better than expected third quarter when profits rose instead of showing the traditional seasonal decline.

Dr. Henk Kruijsiga, the financial director, said yesterday that while this was a satisfactory development following several extremely poor years, incidental factors such as stock profits had helped to contribute to the improvement.

A decision will be taken in February on whether to pay a final dividend, the company's first since 1974: last month Akzo announced an interim payment of Fl 1 per share.

Akzo reported third quarter net profits of Fl 64.8m (\$32.4m), after extraordinary items, compared with a loss of Fl 12m. For the first three quarters the net result was sharply up at Fl 166.4m, compared with Fl 3.5m in 1978. Net profit per share was Fl 2.19 compared with a loss of Fl 0.40 in last year's third quarter, while in the first nine months it rose to Fl 5.52 from Fl 0.13.

Sales in the third quarter rose 16 per cent to Fl 2.94bn (\$1.47bn) while in the first nine months sales were 13 per cent up at Fl 8.89bn. Volume sales

in the year so far have risen 7 per cent while prices increased by 8 per cent. The decline of other currencies against the guilder clipped 2 per cent off the increase. Akzo's operating profit more than doubled to Fl 159.2m in the third quarter while the increase in the first nine months was 80 per cent to Fl 474.1m.

Costs rose slightly more slowly than sales—by 11 per cent in the first nine months—while depreciation and interest charges were little changed. The tax charge in the first nine months rose by 22 per cent to Fl 103.7m because profits in the Netherlands could not be set against accumulated losses.

The third quarter's performance was better than had been expected and it now looks as though the second half will "not be worse" than the first.

when net profit of Fl 101.6m was recorded. However, the relative improvement, which normally occurs in the final quarter may not emerge this year, since the third quarter was so good, Dr. Kruijsiga said.

Stock profits contributed Fl 65m to the net result in the January to September period, including Fl 38m in the third quarter alone. The fourth quarter will show a similar profit to the third if raw material prices hold steady.

Although there has been a considerable improvement in profits, if account is taken of inflation, stock profits and the replacement value of fixed assets, then the result is still "very modest", the company said. On this basis the nine-month profit would have been about Fl 55m compared with a loss of Fl 45m in the same 1978

period. Akzo expects to invest Fl 600m-650m in fixed assets and acquisitions this year compared with Fl 525m last year.

There was little sign of the usual summer decline in the chemical fibres sector this year while the autumn recovery was stronger than normal. However, increased imports from the U.S. are beginning to depress European prices. Chemical fibres showed an operating profit of Fl 3m in the quarter compared with a loss of Fl 6m last year.

Volume sales and prices of chemical products and coatings were satisfactory and operating profit rose to Fl 41m in the quarter from Fl 41m. The operating result in the pharmaceuticals and consumer products sector rose slightly to Fl 79m from Fl 75m. Although there were sharp improvements in plastics and wire products.

Air Products to open plant in Holland

THE U.S. industrial chemicals group, Air Products, plans to open a Fl 40m (\$20m) vinyl acetate, ethylene plant with annual capacity of 30,000 tonnes in the Netherlands, writes Charles Batchelor in Amsterdam. The new plant, which is Air Products' first chemicals

venture on the Continent, is due to come on stream in 1981.

It will be built on a site next to the headquarters chemical complex of the state-owned DSM group at Geleen, in the south-east. DSM will provide feedstocks to Air Products, which will make resins for industrial glues and paints.

The company will make use of regional investment incentives provided by the Dutch Government, the Limburg Institute for Development and Finance said yesterday. It will employ about 80 people, two-thirds of them in distribution, which will be throughout Europe.

PUK takes Australian partners

BY JAMES FORTH IN SYDNEY AND DAVID WHITE IN PARIS

FRENCH metals group Pechiney Ugine Kuhlmann, has taken two Australian partners for its planned \$500m (U.S.\$558m) aluminium smelter in New South Wales.

Gove Alumina, which is a partly owned subsidiary of industrial and mining group CSR and a partner with Swiss Aluminium in the Gove bauxite and alumina project in the Northern Territory, will take a 35 per cent interest. The life office, AMP Society, which has a shareholding in Gove Alumina, will also have a direct 15 per cent share in the smelter.

Pechiney will have 35 per cent and is negotiating with another foreign group to take the remaining 15 per cent. The

smelter is scheduled to come into production in 1983 and will have an annual output of 220,000 tonnes.

Pechiney will share responsibility for management of the smelter with CSR. The smelter is to be built using Pechiney technology and equipped with 175,000 electrolysis tanks, the technology for which was recently sold to British Aluminium. Production from the plant will be mostly for export. The French group said that the smelter would make for more efficient deliveries to meet the needs of its Asian customers.

CSR will end up with an effective interest in the smelter of 18 per cent and the AMP Society

19 per cent. The other shareholders in Gove are Peko-Wallsend with 12.64 per cent, MLC Society with 9.1 per cent, Bank of NSW with 5.05 per cent, Elder Smith Goldsbrough Mort with 5.05 per cent and Commercial Bank of Australia with 5.05 per cent.

Mr. Neville Wran, the New South Wales Premier, said yesterday that the Australian interest complied with a State government request that a consortium be formed with not less than 50 per cent local equity to construct and operate the smelter.

Mr. Wran said that the final decision on the location of the smelter would be announced in the next week.

Action against Norwegian bank dismissed

By Fay Gjester in Oslo

ANDRESEN'S BANK, the Norwegian commercial bank which is shortly to be merged with the larger Christiania Bank of Kreditkasse, was awarded Nkr 25,000 costs last week after the dismissal of a lawsuit brought against it by an Oslo property group, Eiendomsinstituttet AS.

The court ruled that none of the group's claims against the bank, totalling Nkr 35.5m were valid. Mr. Torngy Hanes, the Oslo lawyer who controls Eiendomsinstituttet, has said that he will appeal.

Mr. Hanes, who has been a big borrower from Andersen for over a decade, had alleged that the bank owed him Nkr 31.5m for planning costs incurred on projects involving six major groups of properties, and that the bank wrongly held mortgages, worth Nkr 24m, on some of the group's properties as security on some of its loans to the group.

Another part of his claim concerned Nkr 20m on interest charges on certain loans. Mr. Hanes wanted this repaid, on the grounds that the bank had promised to roll up the interest until the project involved had been completed.

Austrian Government plans bond issue

AUSTRIAN Finance Minister Herr Hannes Androsch said yesterday that the Government would float a Sch. 1.2bn bond in two tranches. Reuter reports from Vienna, the bond will carry a coupon of 8 per cent and would be priced at par. It is to have tranches of 10 and 15 years.

The bond was originally planned to raise Sch. 2bn but was reduced last week because of the Government's reduced financial requirements.

Lower sales forecast for this year by Neuhausen

BY OUR ZURICH CORRESPONDENT

THE DIVERSIFIED Swiss industrial company Neuhausen am Rheinfall expects sales to be lower this year due to what is described as an unsatisfactory order situation. In 1978 turnover totalled SwFr 400m (\$244m).

New order volume was higher for the first half of 1979 than for the corresponding period of 1978, but export prices—particularly in the rolling-stock sector—were insufficiently high. At the same time orders for packaging machines have not reached the level which had been hoped for.

However, the financial results for 1979 are expected to emerge at roughly the same figure as in 1978. Then, parent-company cashflow was of SwFr 30.2m (\$6.18m) and net profits were SwFr 3.2m. SIG Holding, which controls the major subsidiaries and sales affiliates of the group, is to pay a gross dividend of

SwFr 5 per participation certificate.

POWER COMPANY Elektrizitaets-Gesellschaft Laufenburg, is to take a financial stake in the high-voltage direct-current relay station being erected at Duernrohr in Lower Austria by the Austrian state corporation, Elektrizitaetswirtschaft.

The Swiss company, in which the Zurich holding company, Elektrowatt, has a controlling interest, wants to obtain a share of 150-MW of the unit's 550-MW relay capacity. Duernrohr, to go on stream in 1983, will link the high-voltage grids of Eastern and Central Europe.

According to the Swiss newspaper Nenzlercher Zeitung, Herr Hannes Androsch, the Austrian Finance Minister, recently suggested to his Swiss counterpart, M. Georges Andre Chevallaz, that Switzerland should join Austria in participating in Polish and Hungarian power station programmes.

KHD to buy surplus plant from AMC

DETROIT—West German truck manufacturer Kloeber Humboldt Deutz is negotiating to buy American Motors Corporation's closed engine plant at Richmond, Indiana. "We are about to make a deal," said Herr Walter Stelbuechel, sales manager of Deutz Corporation, the U.S. marketing subsidiary.

Last week AMC sent reports that the plant would be sold to Volkswagen of America. AMC last used the plant to finish four-cylinder engine blocks bought from VW. The plant was closed when AMC switched to General Motors' four-cylinder engines for the 1980 model year. Reuter

Lufthansa takes stake in travel group

DEUTSCHE LUFTHANSA AG, the semi-state West German airline, has signed agreements giving it a 10.8 per cent stake in Deutsches Reisebuero travel group, Reuter reports from Cologne.

French bank in South America

PARIS — The French nationalised bank, Banque Nationale de Paris, will have a 25 per cent interest in a finance company being set up in Venezuela. The outstanding 75 per cent shareholding will be owned by the Venezuelan finance company, Cavendes.

To be called Consorcio Financiero Bolivar, the new company will be capitalised at \$50m and will be formally launched on December 2. It will provide long and medium-term financing for various development projects throughout Latin America.

In a separate move, Societe Cogema, the fuel reprocessing unit of the French Atomic Energy Agency, has acquired a 12.5 per cent interest in Pacific Nuclear Transport. The remainder of Pacific Nuclear is owned by British (62.5 per cent) and Japanese (25 per cent) interests. AP-DJ

Celulosa Argentina S.A. U.S. \$55,000,000 Medium Term Loan. Managed by Orion Bank Limited, The Royal Bank of Canada (London) Limited, Banco Nacional de Desarrollo. Co-Managed by The Bank of Nova Scotia Group. Provided by Orion Bank Limited, Banco Nacional de Desarrollo, Banco de la Provincia de Buenos Aires, First Pennsylvania Bank N.A., Kansallis International Bank S.A., The Royal Bank of Canada, The Bank of Nova Scotia International Limited, Banco Totta & Acores, London Branch, First Wisconsin National Bank of Milwaukee (London Branch). Agent Bank Orion Bank Limited.

Olivetti International S.A. U.S. \$30,000,000 Refinancing guaranteed by Ing. C. Olivetti & C., S.p.A. managed by Hambros Bank Limited, Canadian Imperial Bank of Commerce, Girozentrale und Bank der osterreichischen Sparkassen Aktiengesellschaft. provided by Banca Nazionale del Lavoro (London Branch), Canadian Imperial Bank of Commerce, The First National Bank of Chicago, Girozentrale und Bank der osterreichischen Sparkassen Aktiengesellschaft, Hambros Bank Limited, S.F.E. Banking Corporation Limited SFE Group, Societe Generale (France) Bank Limited, The Sumitomo Trust and Banking Co., Ltd. Agent Bank Hambros Bank Limited November, 1979

Bank of Ireland U.S. \$50,000,000 Floating Rate Capital Notes 1989. In accordance with the provisions of the Notes notice is hereby given that for the three months interest period from 21st November, 1979 to 21st February, 1980 the Notes will carry an Interest Rate of 15 1/8% per annum. The interest payable on the relevant interest payment date, 21st February, 1980 against Coupon No. 1 will be U.S. \$40.09. By Morgan Guaranty Trust Company of New York, London, Agent Bank

THE SAITAMA BANK, LTD. Negotiable Floating Rate U.S. Dollar Certificates of Deposit Maturity date 23rd November 1981. In accordance with the provisions of the Certificates of Deposit notice is hereby given that for the six-month interest period from 21st November 1979 to 21st May 1980 the Certificates will carry an Interest Rate of 15 1/8% per annum. Agent Bank Kleinwort, Benson Limited

How cost-effective is your canteen?

Running a staff canteen that is both excellent and cost-effective demands considerable care and attention.

As the United Kingdom's leading catering management and consultancy organisation, the caring hand of Gardner Merchant serves a staggering 200 million meals a year.

Our clients demand real value for money — and that's what we offer! Now we'd like to offer you the opportunity to take advantage of our

unrivalled experience. A free advisory report on your company's existing catering arrangements.

We will examine the cost-effectiveness of your staff canteen, and present a report and budget estimate for your consideration.

The report is absolutely free and it could turn out to be highly profitable reading.

Complete the coupon now! No stamp is required.

To: GARY HAWES, MANAGING DIRECTOR, GARDNER MERCHANT, FREEPOST, REIGATE, RH2 7ZA

Please contact me to arrange a free Catering Advisory Report. Please send me your free 12-page colour booklet.

Name _____

Position _____

Company _____ No. of employees _____

Address _____

Tel _____ FT4



Offices in: Amman, Belfast, Birmingham, Croydon, Dublin, Gateshead, Glasgow, High Wycombe, London, Manchester, Newport (Bar), Newport (Gwent), Nottingham, Plymouth, Reigate, Sheffield, Swindon, Also in Belgium, Germany, Holland and the Middle East. Head Office Telephone Number — Reigate (07372) 21521.

Spring Grove's new pastures

BY TERRY GARRETT

ONE HUNDRED years on, Mrs. Ellen Crush's laundry for the gentry is coming to the stock market. Though whether Ellen Crush would recognise the fruits of the seed she planted in Middlesex back in 1884 is another question. From her laundry has grown Spring Grove Services, one of the largest workwear and towel rental companies in the UK.

Spring Grove, which is a wholly owned subsidiary of investment bankers Charterhouse Group, will be coming to the market later this month. The format for the flotation marks a first. Charterhouse will be offering 80 per cent of its holding in Spring Grove by an "offer for sale by tender" to its own shareholders and the 1,660 employees of Spring Grove.

Such an offer could run Charterhouse and Spring Grove up against tax problems. The Inland Revenue might treat any profit taken on the shares when dealing as a distribution by Charterhouse to its shareholders. This would leave the company open to an ACT charge and shareholders to a tax liability.

However, Charterhouse reckons that it has overcome this problem by making the issue by tender, so that it can set as near to a reasonable market price as possible. This format also prevents a repeat of the swift market action which saw bidders lurching up for Caledonian just as soon as Stenhouse floated it off to the market.

From the Charterhouse viewpoint the offer swaps trading profits for ready cash to recycle in further new developments. In the last financial year Charterhouse made trading profits pre-interest of £15.7m excluding banking profits. This took in some £5m from Spring Grove. In 1979 the sale of the majority stake will make little difference to profits but from hereon Charterhouse will only be able to consolidate 40 per cent. Taking current interest rates the return on the £10m or so

that Charterhouse will raise will offset most of the short fall at the trading end.

In terms of net assets, Spring Grove is in the books at £72m and after the offer net worth could increase by £4m to £5m leaving group assets close to £70m.

Spring Grove is one of Charterhouse's first development finance investments. It took a stake in the laundry company in 1984 with a modest £5,500. The Nias family, which came into the picture when Herbet Nias married Ellen Crush's daughter at the turn of the century, retained their controlling interest. However over the years, as Spring Grove needed finance for capital expenditure, Charterhouse took an increasing stake.

Mr. Roger Nias, managing director, says that the crunch point for the Nias family came towards the end of the '80s. By then the family was unable, or perhaps unwilling, to commit further cash to the business and Charterhouse took full control. Spring Grove had first entered the towel rental market before World War II, though during the years of conflict and rationing, growth obviously came to a standstill.

Limited growth

By 1971 the decision was taken completely to drop the domestic and contract laundry operation. But this left Spring Grove almost in the position of a classic one product, one market company. This was fine as long as it remained part of Charterhouse as just another division, but it would always be limited as a source of growth.

So the early 1970s saw Roger Nias take Spring Grove on a programme of diversification into related fields.

Two of the diversification projects—safety equipment for employees, and the move into Holland—have stayed with the group but others have quickly fallen by the wayside.

In 1972 Spring Grove bought

an office cleaning company called Comprehensive Cleaning Contractors. It never really fitted into the Spring Grove management style, according to Roger Nias. It was producing a return of around break-even but the company could not develop the activity. Mainly it was a matter of mental aptitude. Office cleaning consisted of casual labour, unsocial hours and an "on site" service, rather than the traditional Spring Grove business, where most of the activity is carried out on the company's own premises. In 1977 the office cleaning business was sold.

Spring Grove also had a passing flirtation with drain cleaning, setting up Spring Grove Cleaning Services in 1975. Similar problems developed as with the office cleaning company, and it too was sold in 1977.

In the same year Spring Grove Safety Services was born. This supplies a range of industrial footwear, eye shields, gloves, helmets and other protective equipment for the workforce. Basically it is a buy-and-sell operation grafted on to the salesmen operating the rental workwear business.

The operation has not taken off as much as had been hoped for. Basically the main restraint is the cost-cutting exercises by companies over the past couple of years which have put a brake on new business, but safety equipment, the company believes, is a definite growth area.

Since its inception the safety equipment business has produced a peak loss in one year amounting to £321,000 but in the last financial year, ended September 30, the losses were down to £170,000 and this mainly reflects development costs.

The other new venture that Spring Grove has struck with is the move into Holland. In 1976 it bought for £1m a traditional laundry in Rotterdam supplying contract cleaning to the local



Roger Nias, managing director Spring Grove Services

sales of £16.7m. In terms of size Spring Grove rates third in the market for both workwear and towel rental. Spring Grove calculates that it has 13.4 per cent of the workwear market and 6.8 per cent of towels. The company is also in the area of dust control mats.

Overall workwear accounts for 70 per cent of the company's rental turnover in the UK and is certainly the fastest growing segment of the rental business. Roger Nias is looking for volume growth of between 5 and 7 per cent this year against 2 per cent for the more mature towel market.

Spring Grove reckons to get a return on capital employed of around 28 per cent on its rental operations and with 23,000 customers — the largest one only taking 1.3 per cent of turnover — the company is hardly vulnerable to losing contracts.

The company enjoys a strong cash flow and it needs to if it is going to maintain its investment in rental assets. It spends around £4m a year on textiles for its rental operation and stock in the last accounts reached £7m.

Overall Spring Groves' profits have risen steadily over the last five years from £1.5m to £3.5m and Charterhouse sees the market valuing the company somewhere between £15m and £18m, once dealing are underway.

For the future Roger Nias sees Continental Europe offering the greatest potential. From its base in Holland the company has been researching other countries acceptance on rental workwear and two other markets in Northern Europe have been researched in depth. The 1980s will undoubtedly see Spring Grove spreading itself overseas, while in the UK its safety equipment side provides considerable potential.

However if the public feels like staging the Spring Grove offer they will have to go out and buy Charterhouse shares first, or rush round and get a job in the Spring Grove laundry.

Protected Eagles No.5

Golden Eagle

Probably the world's best known large eagle. A true or booted eagle, found in mountainous regions throughout the northern hemisphere. It can soar for hours and, in a dive, reach up to 200 m.p.h. Like all eagles, it is a protected bird. For the protection you need—for life, pensions, home, car, business—rely on Eagle Star.



With 160 U.K. branches you can rely on our countrywide insurance service for your protection. Millions do. Ask your broker or call in at your nearest branch.



Eagle Star Insurance

INVEST IN
50,000
BETTER
TOMORROWS!

50,000 people in the United Kingdom suffer from progressively paralyzing MULTIPLE SCLEROSIS—the cause and cure of which are still unknown—HELP US BRING THEM RELIEF AND HOPE.

We need your donation to enable us to continue our work for the CARE and WELFARE OF MULTIPLE SCLEROSIS sufferers and to continue our commitment to find the cause and cure of MULTIPLE SCLEROSIS through MEDICAL RESEARCH.

Please help—send a donation today to: Room F.1, The Multiple Sclerosis Society of G.B. and N.I., 4 Techbrook Street, London SW1 1SF.

Why the strong pound is cracking ceramic exports

BY PETER CARTWRIGHT

They're what most business and investment decisions are really about.



These days a businessman or private investor can spend more time reading columns of advice and opinion than financial news that really gets down to brass tacks.

Which is why so many of them prefer to rely on the Investors Chronicle every week.

It is written by journalists who believe that a financial weekly should provide more information than speculation.

The coverage it gives to companies includes probing analysis of statements and annual reports. As well as monitoring the profit trends of all major business sectors each month.

The Investors Chronicle also provides regular reviews of different industries containing unique inter-company statistical comparisons.

Which give information, such as turnover, profits and financial ratios, not available from any other single source.

The same attention to facts informs its finance and investment pages, which carefully scrutinise markets both in the UK and abroad.

Of course the Investors Chronicle also provides objective analysis and interpretation. But this is always based on getting the facts right first.

After all, you're not likely to make the right individual or corporate decisions unless you have information that is to the point.

But unlike almost every other industry it cannot hope to offset such losses by being able to buy its raw materials more cheaply.

All but a few per cent of its requirements for clay, felspar, hope and other materials are indigenous.

China, excellent quality and patterns have enabled prices to be raised even though sales have been losing ground, and so have limited the value losses.

Thus, while the tonnage shipped to Canada in the first half of the year was slightly less than that shipped in the same period last year, the value was nearly £600,000 greater at £5.8m.

Sales to the U.S. slipped more significantly, by more than 300 tonnes. At average prices ruling in 1978 this might have been expected to skim off something like £1.2m. In fact the loss was £900,000.

Nevertheless, the U.S. and Canada account for one third of all overseas sales of china, and the fact that the 300 tonnes of sales lost there was almost exactly matched by increased sales to the EEC does not entirely compensate the industry.

Bulk sales of earthenware suffered even more keenly, by around 3,500 tonnes in markets which again represent about one third of the total. And again the value losses were limited, though nothing could do more than partially compensate for the bottom falling out of the American market.

Like every other export industry it sees thousands of pounds lopped off its profits with each per cent rise in the exchange rate and the weakening dollar seriously diminishes its competitive ability.

But unlike almost every other industry it cannot hope to offset such losses by being able to buy its raw materials more cheaply.

All but a few per cent of its requirements for clay, felspar, hope and other materials are indigenous.

The third most valuable section of the ceramics industry in exporting terms is that making baths, wash basins, lavatories, hospital and similar equipment which goes under the collective title of sanitaryware. This has been faring worse than any.

Its best market, Nigeria, which in the first half of last year took nearly a third of all shipments, was more than decimated—down from almost 4,000 tonnes to little more than 300 tonnes. Another leading market, Saudi Arabia, has almost halved its demands, having completed a phase of rapid expansion in schools, hospitals and hotels.

Only one section, the smallest of the lot, has shown itself capable of bucking the trend. This includes departments of the giants of the industry like Royal Doulton, Wedgwood and Royal Worcester Spode, making figurines, ornamental ware,

limited edition birds, horses and other animals, and individually designed dinner and tea sets. They have seen an encouraging increase in exports and an even more gratifying rise in money values.

This section brings home the highest ratio of currency to product of any, an average of around £5,500 a tonne compared with just over £4,000 for china tableware. Exports this half year were £2.3m higher at £8.5m against the first six months of 1978.

If present trends continue the quality section will break into even higher ground. Wedgwood, Royal Doulton, Staffordshire Potteries and other tableware makers are beginning to see signs of the tide turning in the U.S. and to a lesser extent Canada, where selling has been especially tough in recent months. The small potteries, the best of what may be called studio potteries, are apt to be more empathic.

We are finding markets wide open for the kind of quality china we are producing," says Mr. R. MacMillan, sales director of Caverswall China, Stoke-on-Trent, echoing other marketing executives in the studio potteries there and in other parts of the country, some of them set up by senior designers and technicians who have broken away from the more restrictive atmosphere of the big potteries.

It is not just an endorsement of "small is beautiful." It remains as true as ever that there will always be a market somewhere for the highest quality; and of recent years unique bone china, fresh-painted vases, animals and tableware have become much more of a hedge against inflation.

What the figures show in general is that quality and originality are more resistant to downturns in the marketplace. Technical advances allied to good design can also not only insulate a pottery from the effects of competition but create a widening range of customers.

A case in point is Steelite, made by Royal Doulton's hotel division. This introduced an alumina body with special fluxes into the Potteries for the first time and was launched just over a decade ago with the Q22. It is lighter and aesthetically more attractive than the main run of

hotel ware, while standing up to unsympathetic treatment: an automatic washing machine very well. Made originally in one plant, it is now made in three and has more than just penetrated new markets in America and Canada (where it is a market leader) and Europe.

While others making late waves are short of business on short time (which started at the back end of the summer) Royal Doulton has sufficient orders to take it into the New Year, helped by a new design described as looking like "tough studio pottery."

In general, however, there is a shortage of silver lining discernible on the horizon, even though the dollar rate has changed slightly this year, and as his chairman, James, the chairman of Wedgwood, who has recently returned from the U.S. found, "retaining its position and established in the west and south-west."

He found the general medium and high-priced products, are also higher-priced giftware retailing "remarkably well." But, he added, marketing conditions in the U.S. were tough and very competitive for all major national manufacturers. A high amount of discounting was also occurring, a significant index then of prevailing market conditions.

In value terms the industry has done better than could have been hoped while the year was still new and warehouses were overflowing with frustrated exports because of the lorry drivers' strike. At the half year the value of shipments was within £2m of the equivalent 1978 figure, of £90m, providing hope that the end year value will be as high as in 1978.

But if it is the volume that tells the story, of short time in hotel ware, order shortages among some tableware makers, sanitaryware manufacturing working at 70-80 per cent capacity, tile makers having mixed fortunes and unaccountably aware of the assault on their home market from Italy—and a downward revision in investment.

On the other hand, top quality products are finding ready markets, with fine china, ornamental and other ware, enjoying both higher volumes and values. The industry is more in a period of adjustment, sometimes painful, but it is not at all downcast.

INVESTORS CHRONICLE

Out every Friday.



This is where the world's finest single malt comes from.

No single malt whisky is more respected than Glenmorangie. Produced since 1738 in a distillery overlooking the Dornoch Firth, it remains today what it has always been.

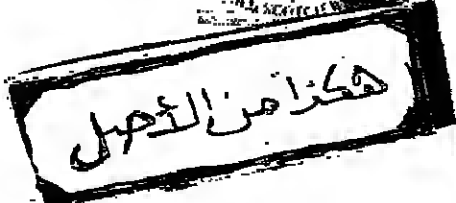
Virtually unrivalled for taste. And, hardly surprisingly, in somewhat limited supply.

Since 1894, however, the subtle pleasures of Glenmorangie have been available on a more generous scale.

It is to be found in a blended whisky called Highland Queen.

Produced very slowly, using time-honoured, not to say old-fashioned methods, Highland Queen contains a very high proportion of malt whisky.

It is, in short, to ordinary blends what Glenmorangie is to ordinary single malts.

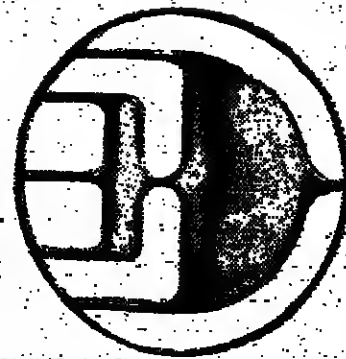


Generous Malaysians



In Malaysia we have a tradition of giving. Often with gold. Mas is Malay for gold. Mas, the Airline of Malaysia, with a tradition of generous giving. Golden service. Malaysia's gift to the travellers of the world.

mas
A gift of Gold.
malaysian airline system



Bangkok, B.S. Bagan, Fuzhou, Hanoi, Hong Kong, Jakarta, Jeddah, Kuala Lumpur, Kuwait, London, Medan, Manila, Medan, Melbourne, Perth, Seoul, Singapore, Sydney, Taipei, Tokyo and 34 destinations within Malaysia. Reservations Telephone Nos. 01-525 550/4 or ask your travel agent for details.

Major hurdles to News bid for control of HWT

BY JAMES FORTH IN SYDNEY

THE MAJOR hurdles to the bold \$126m (US\$138m) bid by the News Limited group for control of Australia's largest media organisation, Herald and Weekly Times Limited (HWT), are the existing legislation on trade practices and the television industry.

HWT itself is also thought to be planning a defence, and has called a Press conference for tomorrow morning. The Board has reportedly been considering a major asset revaluation and a scrip issue.

Mr. Rupert Murdoch, chief executive of the News group of companies, announced yesterday morning that the group intended to make a formal offer for slightly more than 30 per cent of the capital of HWT. News will offer AS4 per share, compared with the pre-bid close on the Sydney stock market of AS2.78. However, when trading opened on the markets, News was a buyer, operating through two establishment shareholding firms, J. B. Were and Sons and E. L. and L. C. Baillieu.

The News brokers paid AS3.75 per share, although the price briefly touched AS3.95, and gained the bulk of the 300,000 HWT shares traded. This is, however, less than 1 per cent of the capital. HWT has for years been considered impregnable because of an interlocking shareholding structure with other newspaper groups with which it is associated. HWT owns 29 per cent of Advertiser Newspapers, which publishes the

Adelaide Advertiser, and 39 per cent of Queensland Press, which publishes Queensland's only daily newspaper, the Courier Mail and the Brisbane Telegraph.

In turn, Advertiser owns 6.5 per cent of HWT, and Queensland Press holds 7.9 per cent. This only adds up to about 14 per cent, however, and as recent takeover activity has shown, it may not be enough to bold off News.

The fact that News could not obtain the 30 per cent acceptance necessary to enforce compulsory acquisition if Advertiser and Queensland Press rejected the bid may also have influenced the group's decision to make a partial bid.

However, the Broadcasting and Television Act and the Trade Practices Act could also be crucial. Under the former act, News would be required to divest itself of its interests in three television stations if it gained control of HWT. The act provides that a party can only hold more than 5 per cent of the capital of two television stations, although it can hold less than this percentage in any number of stations.

On the trade practices front, News should have little difficulty about Victoria, where the Herald publishes the biggest-selling morning and evening newspapers. News publishes no Victorian newspapers, although its national daily, the Australian, sells in the state. HWT owns all of the capital of WA Newspapers, which pub-

lishes Perth's only two dailies and owns half of the Sunday newspaper, with News owning the other half. The group also dominates the newspaper scene in Tasmania. Moreover, if the stake in Advertiser and Queensland Press was considered strong enough, a News takeover would probably be considered to dominate the newspaper activities in those states. However, even if the Trade Practices Commission does consider that there are some problem areas, observers believe that it would be unlikely to block the bid, but would instead require News to divest itself of some of these interests.

If News succeeds, it will mean a renewal of the Murdoch family association with the HWT group. Sir Keith Murdoch, the father of Mr. Rupert Murdoch, chief executive of News, headed the HWT group for many years until his death in 1952.

The audacious bid—HWT is capitalised on the market at \$250m, double that of News—has drawn criticism from some politicians and the Australian Journalists Association.

The main criticism is that the deal would result in an undue concentration of media ownership.

If the bid succeeds, Mr. Murdoch will return from New York, where he lives at present running the group's U.S. interests (which include the New York Post and New York magazine) and set up a home base in Australia.

Mid-term recovery by Goldfields Industrial

By Jim Jones in Johannesburg

THE South African machine tool and engineering equipment supplier, Goldfields Industrial Corporation (GIC), which is 60 per cent owned by E. Elliot and Co. of the UK, has recovered from its 1977-78 earnings slump. With healthy order books, and strong demand for machine tools, the company increased first half turnover by 32.6 per cent from R11.75m to R15.55m (\$18.8m) and more than doubled pre-tax profit from R755,000 to R1.64m (\$1.97m) following a two-for-five rights issue in July which raised R1m, higher profit levels, and tighter management of working capital, the board feels the company is in a sound liquid position. On this basis and that of healthy order books, prospects for the full trading year are said to be encouraging, and with higher turnover and better operating efficiencies, a substantial improvement on last year's performance is likely. In the year to March 31, 1979, turnover was R1.91m and pre-tax profit R1.91m.

From first-half earnings per share of 29.7 cents against 15.5 cents, a 6 cents interim dividend has been declared compared with 4 cents for all 1978-79, earnings per share were 41 cents and dividends totalling 10 cents were declared.

Advance by Chubb Holdings

By Our Johannesburg Correspondent

CHUBB HOLDINGS, the 73 per cent-owned South African subsidiary of Chubb UK, has announced a 53.9 per cent first half pre-tax profit advance from R562,000 to R865,000 (\$1.04m) for the six months to September 30, 1979. Turnover advanced by 12.6 per cent. In the year to March 31, 1979, turnover was R20.4m and pre-tax profit R1.2m.

Management attributes the improved results to the rationalisation of most operations and the re-organisation of the previously loss-making alarms division, which is again contributing to profits.

Chubb suffered from a relatively slow start to the year as system removals from business premises last year, but with economic recovery under way, this situation is reversing, and increasing use is being made of Chubb's Security Systems Services.

Orders are up to expectations and the directors anticipate satisfactory second-half results. From first-half earnings of 12.9 cents against 7.4 cents an interim dividend of 4 cents compared with 3 cents has been declared. This compares with earnings per share of 17.9 cents and dividends totalling 13 cents for the year to March 31, 1979.

Better trend for Chloride

By Our Johannesburg Correspondent

FOLLOWING LAST year's set-back when taxed earnings slipped from R2.8m to R2.4m Chloride, the 70 per cent-owned South African subsidiary of Chloride (UK), is back on a recovery path following the six months to September 30, 1979, turnover advanced by 14.5 per cent from R16.9m to R19.3m (\$24m) and there was a 43 per cent pre-tax profit improvement to R2.35m (\$2.71m) against R1.58m.

Last year's set-back in the original equipment motor car market, when car buyers switched buying power from larger to smaller cars, has been reversed. In addition, Chloride is experiencing greater demand from the mining industry which is converting from diesel/petrol powered haulage units to battery-powered locomotives.

Despite increasing raw materials and labour costs, the company is now reaping the benefits of earlier capital expenditure which has improved control over labour and overhead costs.

An 11 cents interim dividend has been declared against 9 cents from first-half earnings of 31 cents compared with 26 cents. In 1978-79 total earnings came to 54 cents and dividends of 26 cents were paid.

Escom to spend R11bn in next 10 years

JOHANNESBURG

The South African Electricity Supply Commission (Escom) says it will have to spend more than R11bn (\$13.2bn) over the next ten years to cope with increasing demand for electricity.

Various essential projects include the doubling of Escom's installed generating and transmission capacity, currently producing about 15,000 MW.

The expansion programme will start immediately with the construction of two power stations of the conventional coal-fired type, planned to have a combined installed capacity of 7,200 MW in the 1990's.

The Commission said a third coal-fired power station and a pumped-storage facility are planned to start production in the 1980's.

In addition Escom will extend its headquarters to meet a critical manpower shortage at a cost of about R35m and it will establish an education and training centre which, when fully developed in 1988, may cost some R40m.

About 50 per cent of Escom's capital expenditure will be in South Africa and the Commission says the financial demands will be met without placing an added burden on the consumer.

JAPANESE TRADING HOUSES

Strong growth in first-half sales

BY RICHARD C. HANSON IN TOKYO

THE MAJOR Japanese trading houses have all shown strong rises in sales during the half year to September 30, but profits at some of the companies were reduced by losses from affiliates.

Mitsubishi Corporation the largest trader, reported a 26 per cent increase in gross sales to Y5,354bn (\$21.8bn). Net profit rose by 13.6 per cent to Y9,159m (\$37m), although net operating income dipped slightly as a result of higher interest rate payments and operating costs.

All five of the companies which reported half-year results, yesterday showed roughly equal patterns for sales. Import business rose sharply as a result of higher commodity prices, particularly in oil and related products, and exports increased at a slower pace but were helped by the depreciation of the Yen. Domestic business also rose substantially, buoyed by real economic growth during the term of about 6.2 per cent over a year ago.

Mitsui and Company showed

a sales increase of 28.1 per cent to Y3,075bn (\$20.7bn) and despite a decline in operating profit, managed to raise net profit by 45 per cent to Y6bn (\$24.5m).

C. Itoh and Company, meanwhile, has passed its mid-term dividend as a result of write-offs on the disposal of interests in two financially troubled oil refiners. The loss on Toa Oil and its subsidiary Toa Kyoseki amounted to Y22,500m. By the end of the year, arrangements will be completed for the transfer of Toa Oil to Showa Oil (an affiliate of the Royal Dutch/Shell Group), while Toa Kyoseki will be transferred to Nippon Mining.

C. Itoh was still able to increase its net profit by 161.89 per cent to Y3,861m (\$15.7m), on a sales increase of 28.2 per cent to Y4,026bn (\$16.4bn) making up for Y13bn of losses through sales of securities. The annual dividend will be paid in full.

Nissho-Iwai had a sales increase of 24.4 per cent to Y2,589bn (\$10.6bn), but net profit fell 12.1 per cent to

Y2,21bn (\$9m) due to a larger tax bill and a Y1bn write-off on its share in a joint venture in Iran. Japanese companies are given considerable flexibility in the treatment of taxes in the mid-term statement.

Kanematsu-Gosho reported a 23.5 per cent increase in half year sales, but its net profit fell 50.9 per cent to Y109m (\$0.44m).

Mitsubishi is forecasting a 24.5 per cent increase in sales to Y11,000bn for the full year to next March, and slightly higher net profits than the Y10,1bn for 1978-79. Mitsui expects sales up by 29.7 per cent, also to Y11,000bn and a marginal rise in last year's net profits of Y11.2bn.

C. Itoh sees sales of Y8,800bn, up 26 per cent, and net profits of more than Y6bn, for a better than 24 per cent increase. Nissho-Iwai forecasts sales of Y5,200bn, up 24.5 per cent and net profits of Y4bn, up 33.6 per cent, while Kanematsu-Gosho expects 21.6 per cent rise in sales to Y2,480bn and a 230.6 per cent advance in net profits to Y400m.

New World Development

By Philip Bowring in Hong Kong

NEW World Development Company, a leading Hong Kong property developer, has reported a near doubling of earnings for the year ending June to HK\$159m (US\$31.7m) compared with HK\$82.3m in the previous year.

The final dividend was raised 3 cents to 8 cents, making a total of 12 cents compared with 9 cents previously.

The gain showed an acceleration in the second half of the year. At midway, earnings had improved 57 per cent.

Several properties were completed in the second half, and the group had its first earnings from the 760-room New World Hotel, which opened last December. This hotel immediately attained a high occupancy rate thanks to the boom in tourism.

Upward trend continues in Kubota earnings

BY YOKO SHIBATA IN TOKYO

KUBOTA, which manufactures cast iron pipes, agricultural and industrial machinery, and housing equipment, continued its upward trend in earnings in the first half of its fiscal year, thanks to brisk demands for housing materials and construction machinery.

Kubota's operating profits for the period to October 15 expanded by 15.9 per cent to Y19,222bn (\$78.4bn), and net profits rose by 16.6 per cent to Y10,849bn, on sales of Y232,371bn (\$1,030bn), up 8.6 per cent over the same previous period. Profits per share were Y8.61, compared with Y7.46.

Dull demand for farming machinery in the domestic market was offset by brisk exports of tractors to the U.S. and

Europe, and pipes to the Middle East. Kubota's exports advanced by 18 per cent to Y31,311bn, to account for 12.4 per cent of total sales.

The upturn in earnings was attributed to mass production methods in pipe, construction machinery and housing materials, supported by strong demand. The company refrained from accepting orders of environmental equipment which would have been below cost because of over competition among the industry.

Kubota's has reduced its short term borrowing by Y3.5bn. Its corporate debentures within one year of redemption by Y3.3bn, and its long term borrowing by Y4.7bn over a year ago. As a result its capital ratio improved to 42.6 per cent from 40.9 per cent.

The company envisages capital investment of Y26.1bn for construction equipment plant for this fiscal year and Y29.6bn for construction machinery next year. The investments will be financed from Kubota's own capital.

For full year to next April, the company expects operating profits of Y39bn, up 7.4 per cent, net profits of Y21.7bn, up 10.1 per cent, and sales of Y322.5bn, up 8.2 per cent over fiscal 1978.

Le présent avis est publié à titre d'information seulement

US \$30,000,000

Credit Moyen Terme

REPUBLIQUE DU NIGER

Chefs de file

BANQUE INTERNATIONALE POUR L'AFRIQUE OCCIDENTALE

BANQUE DE L'UNION EUROPEENNE

CREDIT COMMERCIAL DE FRANCE

Co-Chefs de file

BANCO DO BRASIL S.A.

BANQUE FRANCAISE DU COMMERCE EXTERIEUR

Conseillé par

BANQUE INTERNATIONALE POUR L'AFRIQUE OCCIDENTALE

BANQUE DE L'UNION EUROPEENNE

CREDIT COMMERCIAL DE FRANCE

CREDIT COMMERCIAL DE FRANCE (MOYEN-ORIENT) S.A.L.

BANCO DO BRASIL S.A.

BANQUE FRANCAISE DU COMMERCE EXTERIEUR

BARCLAYS BANK S.A. PARIS

BANQUE FRANCAISE DE CREDIT INTERNATIONAL LTO

CREDIT AGRICOLE

INTERUNION BANQUE

UNION MEDITERRANEE DE BANQUES

BANQUE WORMS

AL SAOUDI BANQUE

EDESA INTERNATIONAL FINANCE COMPANY

BANQUE DE NEUFELZE, SCHLUMBERGER, MALLET

Mandataire: B.L.A.O.

Octobre 1979

Escom to spend R11bn in next 10 years

JOHANNESBURG — The South African Electricity Supply Commission (Escom) says it will have to spend more than R11bn (\$13.2bn) over the next ten years to cope with increasing demand for electricity.

Various essential projects include the doubling of Escom's installed generating and transmission capacity, currently producing about 15,000 MW.

The expansion programme will start immediately with the construction of two power stations of the conventional coal-fired type, planned to have a combined installed capacity of 7,200 MW in the 1990's.

The Commission said a third coal-fired power station and a pumped-storage facility are planned to start production in the 1980's.

In addition Escom will extend its headquarters to meet a critical manpower shortage at a cost of about R35m and it will establish an education and training centre which, when fully developed in 1988, may cost some R40m.

About 50 per cent of Escom's capital expenditure will be in South Africa and the Commission says the financial demands will be met without placing an added burden on the consumer.

40

THAT'S THE NUMBER OF COUNTRIES WHERE ABN IS RIGHT AT HOME.

Algemene Bank Nederland is at home in Holland with 700 branches. But ABN is also at home in countries ranging from Japan to the United States with offices in most of the major trade and commercial centres on five continents. And wherever we are, our comprehensive financial services are designed with international business in mind. Skilled ABN personnel can arrange import/export financing, international loan operations, foreign exchange, letters of credit, collections and guarantees in a wide variety of currencies. Quickly and efficiently. Just as you would expect from a bank with US \$40,725,000* in total assets — and offices in over 40 countries. No wonder ABN ranks among the world's most prominent international banks.

ABN Bank
ABN people are ready to serve you almost anywhere in the world.

*Rate of exchange 6-30-79 US\$ = f2.03.

Amsterdam, Algemene Bank Nederland, Head Office, 32, Vijzelstraat, P.O. Box 669 1000 EG, telephone 020-239111, telex 11417. London, Chief Office, 61, Threadneedle Street, EC2P2EH, P.O. Box 508, West End Office, Holland Building, 120, Pall Mall, SW1Y 5EA. Birmingham, 35, Waterloo Street, B2 5TL, P.O. Box 129, Manchester, Pall Mall Court, 61, King Street, M2 4PD.

The ABN Bank has offices and affiliations in: The Netherlands, Ireland, England, Channel Islands, Belgium, France, Federal Republic of Germany, Switzerland, Gibraltar, Italy, Greece, Turkey (Emirates Bank-Unit), Morocco (Algemene Bank Marokko S.A.), Kenya, Lebanon, Saudi Arabia (Albank Alsaudi Alhollandi), United Arab Emirates, Bahrain, Pakistan, India, Malaysia, Singapore, Indonesia, Hongkong, Japan, South Korea, Australia, United States of America, Canada, Netherlands Antilles, Suriname, Venezuela (Banco Continental S.A.), British West Indies, Panama, Colombia (Corporación Financiera Internacional), Mexico. Operating under the name Banco Holandés Unido in: Argentina, Uruguay, Paraguay, Brazil (and also as Banco Ayimoré), Ecuador.

This advertisement complies with the requirements of the Council of The Stock Exchange.

U.S. \$300,000,000

of which U.S. \$100,000,000 is being issued as the Initial Tranche

Citicorp Overseas Finance Corporation Limited
(Incorporated with limited liability in the British Virgin Islands)

Guaranteed Floating Rate Notes Due 1984

Unconditionally guaranteed by

CITICORP

The following have agreed to subscribe or procure subscribers for the Initial Tranche of the above Notes:

Credit Suisse First Boston Limited **Citicorp International Bank Limited**

The Initial Tranche of Guaranteed Floating Rate Notes Due 1984, of U.S.\$100,000 each, issued at 100 per cent, has been admitted to the Official List of The Stock Exchange, subject to the issue of the Initial Tranche of Notes. Interest is calculated monthly and will be payable on each Note quarterly in each year, subject to special arrangements in respect of the initial interest payments, as described in the particulars of the Notes which are available in the External Statistical Service and may be obtained during usual business hours on any weekday (Saturdays excepted) up to and including 5th December, 1979 from the brokers to the issue:

Cazenove & Co.,
12 Tokenhouse Yard,
London EC2R 7AN

21st November, 1979

هكذا من الأهل

It calls for skill, vision, teamwork and stamina to compete, let alone win.



Prizes now worth over £6,500

The National Management Game, now in its eleventh year, is a tough test of business acumen - as over 50,000 previous participants have enjoyed finding out.

It certainly brings you face to face with challenges as taxing and stimulating as any you come across in real business life, if not more so.

Participating teams are thrown into complex boardroom situations which demand major decisions in such key areas as finance, production, marketing and distribution, to be made in a highly competitive environment. Your deliberations and decisions are then evaluated by computer, dispassionately and against high standards. And that's when you'll start discovering why it takes skill and stamina to compete successfully.

A serious test of management skills such as this deserves serious rewards for the winners. The prizes in total are now worth over £6,500, the winning team receiving £2,000 plus a two-day seminar at Management Centre Europe in Brussels with all expenses paid. There are also generous cash prizes for runners-up and, additionally, the winners will have free entry to the European Management Game finals in September 1980.

For full details, call the National Management Game Administrator on 01-242 7806 or complete and return the coupon.

No matter how much or how little you know about management, why not let the NMG show you how good a businessman you really are?

To: The National Management Game Administrator, International Computers Limited, Victoria House, Southampton Row, London WC1B 4EJ. Telephone: 01-242 7806.

I enclose the entry fee of £75 (incl. VAT)

Please send me an entry form and full details of the 1980 NMG (tick appropriate box) BLOCK CAPITALS, PLEASE

SPONSORED BY

The Financial Times, The Institute of Chartered Accountants in England and Wales, International Computers Limited, In association with The Institute of Directors, The Confederation of British Industry

NAME: COMPANY (if applicable): ADDRESS:

National Management Game 1980

CURRENCIES, MONEY and GOLD

Dollar erratic

The dollar moved erratically in this nervous trading closing slightly firmer on balance, as news that the Organisation of Petroleum Exporting Countries has not plans to abandon the dollar for oil payments was countered by a statement from Tehran that Iran will now accept only D-marks, French or Swiss francs for its oil exports.

Sterling opened at \$2.1855-\$2.1865—the highest level of the day—falling to \$2.1560-2.1570 on the OPEC announcement, but improving to \$2.1800 once again on the news from Iran, before closing at \$2.1675-2.1685, a fall of 1.40 cents on the day. The pound's trade-weighted index on Bank of England figures, fell to 69.6 from 69.8, after standing at 69.8 in the morning and 69.3 at noon.

The dollar rose to DM 1.7645 from DM 1.7610 against the D-mark, eased to FF 4.1370 from FF 4.1390 against the French franc, and improved to SwFr 1.6440 from SwFr 1.6390 in terms of the Swiss franc. According to the Bank of England the dollar's index rose to 86.6 from 86.5.

FRANKFURT—The Bundesbank did not intervene when the dollar was fixed at DM 1.7692, compared with DM 1.7638 on Monday. The market remained nervous about the situation in Iran, with the dollar falling to DM 1.7638 by mid-afternoon. The U.S. revised third quarter gross national product figures, anticipated later in the day, were not expected to have a significant effect on trading, but volume was limited ahead of today's holiday in Germany and Thanksgiving Day tomorrow in the U.S.

MILAN—The dollar rose to L.825.20 from L.823.45 against the lira at the fixing. Sterling fell to L.1783.10 from L.1798.30, and the Swiss franc to L.500.07 from L.501.03. Currencies in the European Monetary System were mixed, with the D-mark, French

Table with columns: Nov. 20, Day's spread, Close, One month, % Three months, % Six months. Lists various currencies like UK, Ireland, Canada, etc.

THE POUND SPOT AND FORWARD

Table with columns: Nov. 20, Day's spread, Close, One month, % Three months, % Six months. Lists various currencies like U.S., Canada, etc.

CURRENCY RATES

Table with columns: Nov. 19, Bank Rate, Special Drawing Rights, Euro area, etc. Lists various currencies like Sterling, U.S. dollar, etc.

OTHER MARKETS

Table with columns: Nov. 20, S&P 300, etc. Lists various market indices like Argentina Peso, Australia Dollar, etc.

EMS EUROPEAN CURRENCY UNIT RATES

Table with columns: Currency, ECU amount, % change from central rate, % change against ECU, Divergence from ECU. Lists various currencies like Belgian Franc, Danish Kroner, etc.

EXCHANGE CROSS RATES

Table with columns: Nov. 20, Pound Sterling, U.S. Dollar, Deutschem'k, Japan's Yen, French Franc, Swiss Franc, Dutch Guilder, Italian Lira, Canada Dollar, Belgium Franc. Lists various exchange rates.

EURO-CURRENCY INTEREST RATES

Table with columns: Nov. 20, Sterling, U.S. Dollar, Canadian Dollar, Dutch Guilder, Swiss Franc, West German Mark, French Franc, Italian Lira, Asian \$, Japanese Yen. Lists various interest rates.

INTERNATIONAL MONEY MARKET

Paris rates steady. The Bank of France bought FF 450 of first category paper at yesterday's tender at 12 per cent. This compares with a previous rate of 11 1/2 per cent, although the increase now brings the rate in line with the Bank's money market intervention rate.

GOLD

Weaker trend. Gold fell \$3 to close at \$388.75 in quiet trading in the London bullion market yesterday. The market opened at \$389.00 and was fixed at \$388 in the morning and \$387.75 in the afternoon. Confirmation that Iran will no longer accept dollars in payment for oil led to a slightly firmer gold price for a short time.

UK MONEY MARKET

Adequate supply. The market was faced with a small net take up of Treasury bills to finance and a slight increase in the note circulation. On the other hand banks brought forward balances some way above target and Government disbursements exceeded revenue transfers to the Exchequer by a small amount. Discount houses were paying 16 1/2 per cent for secured call loans at the start, with later balances taken as low as 15 1/2 per cent in places.

LONDON MONEY RATES

Table with columns: Nov. 20 1979, Sterling certificate of deposit, Interbank, Local Authority deposits, Finance House Deposits, Discount market Deposits, Eligible Bank Bills, Fine Trade Bills. Lists various money rates.

NEW YORK

Table with columns: Prime Rate, Fed Funds, Treasury Bills (13-week), Treasury Bills (28-week). Lists various New York money rates.

GERMANY

Table with columns: Overnight Rate, One month, Three months, Six months. Lists various German money rates.

FRANCE

Table with columns: Overnight Rate, One month, Three months, Six months. Lists various French money rates.

JAPAN

Table with columns: Call (Unconditional), Call (Conditional), Gilt (Unconditional), Gilt (Conditional). Lists various Japanese money rates.

Indiana, USA.

Our great way of life appeals to employee and employer alike.

Indiana not only enjoys four well-defined seasons a year, but boasts more cultural enrichments and recreational activities than you can possibly imagine. Museums, symphony orchestras, opera, ballet, theatre, historic sites and all kinds of sports, including soccer, abound in our State.

two-thirds of all the goods and services sold each year in the United States. There's also easy access to overseas markets.

A Great Business Climate.

Indiana also has an equitable and predictable approach to taxation that not only helps decrease costs, but also helps increase profits. Fact is, we're in the process right now of lowering our business taxes. And controls on local property taxes were established long ago.

Indiana. It's a great place to be. And a great place to keep your business great.

Indiana. A great place to bank.

This program co-sponsored by Indiana Bankers Association.

INDIANA/USA A Great Way of Life.

Write for our free brochure.

Indiana Department of Commerce, Lt. Governor Robert D. Orr, Director, 440 North Meridian Street, Box E, Indianapolis, Indiana 46204 (317) 332-8845/TLX: 810-341-3376 European Representatives: Jaap de Rijke, P.O. Box 396, Dept. E, 3330 AJ Zwijndrecht, The Netherlands. Phone: 78-193531 TLX: 28013 JRC NL



هكنا من الدول

FINANCIAL TIMES REPORT

Wednesday November 21 1979

هكزامن الثمزل

TORFAEN

The image and appearance of one of Wales' famous coal mining valleys has been completely changed. Grassland has replaced the slag heaps, new communities have been created and diverse industries are being wooed there. But as this survey, by Robin Reeves, shows, the Borough of Torfaen is likely to become as well known for its sports facilities and its historical attractions.

Changing face of industrial Wales

NOWHERE ILLUSTRATES the changing face of industrial South Wales more vividly than the Borough of Torfaen. On the map it is the most eastern of the famous series of coal mining valleys, running down from the Brecon Beacons to the coastal plain, just before the mountains give way to the gentler hills of rural Gwent.

But any visitor expecting to see a landscape ravaged by industrial exploitation, with coalminers emerging from pithead baths singing "Guide Me O Thou Great Jehovah," and to have other prejudices confirmed, will be disappointed.

At the lower end of the valley is Cwmbran, which proudly claims the title Garden City of Wales. Since it was designated a new town in 1949, it has grown into an attractively laid out series of neighbourhood communities totalling about 45,000 people with a diversity which does credit to the whole new towns' concept.

At the upper end of the valley, 1,000 ft above sea level, is Blaenavon, an historic industrial town which grew up in the 18th and 19th centuries around the local iron, sand and coal deposits and made a vital

contribution to the spread of the industrial revolution world-wide.

In between lie the town of Pontypool, another important shrine for the industrial historian, and a number of other villages and smaller communities with an interesting story to tell. Since the 1974 reorganisation of local government, they have all been incorporated into the Borough of Torfaen, the original name of the river which flows through the valley.

But nowhere today is overshadowed by coal tips and slag heaps. The appalling tragedy of Aberfan, 13 years ago, set in train a derelict land clearance programme which has now reached the stage in Torfaen where the possibility of preserving a tip on the mountain beyond Blaenavon is under active consideration—to give future generations some idea of the once-familiar landscape.

Much of the valley has been returned to its former charm. The essentially urban environment which sprang up in the industrial revolution is now softened by wooded hillsides and green meadows.

Only two coal mines are still left working in the borough and one, Big Pit at Blaenavon, is due to be closed soon. Plans are afoot to convert the buildings and underground roadways into an industrial museum and memorial to the once-massive South Wales coal industry. The British Steel Corporation's stainless steel works at Panteg and International Nickel's Daniel Doncaster foundry subsidiary at Blaenavon are among the few enterprises which retain the continuity with the area's once-dominant iron and steel and coal industry.

Torfaen today is the heir to a quiet revolution in South

Wales' economy which began in the 1930s depression when the need to bring a greater diversity of industry to the region was first recognised.

Pilkington Brothers first established a glass manufacturing works at Pontypool in 1938. Lucas Girling got into its stride making braking systems in Cwmbran during the war, while the plant now known as ICI Fibres began life as British Nylon Spinners (Jointly owned by ICI and Courtaulds) in 1948 at Pontypool, when it was the first major British nylon manufacturing unit.

Pace

The influx of new industry gathered pace in the 1960s, particularly after the opening of the Severn Bridge in 1966. Cwmbran now boasts the arrival of more than 200 companies since it first started actively promoting the new town's attractions to industry in 1959.

The most recent is Ferranti. Although present in the area since 1974, the company's decision, just announced, to site a major computer systems design, development and research unit in Cwmbran—with the promise of 1,000 new jobs eventually—gives the area a welcome stake in one of the high-technology industries of the future.

Few other parts of South Wales have in fact achieved such success in replacing jobs lost in the area's traditional industries. No less than 49 per cent of the employed population of Torfaen now works in manufacturing industry, compared with the average for the UK as a whole of 33 per cent. At the same time, employment in extractive industry is down to 4.4

per cent, only marginally above the UK average of 3 per cent.

Yet in spite of its relative economic success, Torfaen has not escaped the effects of the more difficult national economic climate which has developed since the 1973 oil crisis. The level of unemployment in the borough, at 7.8 per cent, remains appreciably above the UK national average, reflecting structural change and the falling manpower requirements of modern manufacturing industry and, arguably, the lack of sufficient growth in the services sector.

Indeed, recent developments vividly illustrate the new reality of the industrial economy: that new investment does not necessarily mean new jobs. ICI Fibres, for example, is now investing £50m in a new polymer blending plant and storage silos, but this will do no more than secure the future employment of the existing 2,000 workforce: no new jobs are in prospect.

This is not to say that no new jobs are coming to Torfaen. Far from it. But they are harder to win and, at the same time, there are business failures. The local view is that the area must go on fighting to attract new industry simply to maintain the status quo.

The Gwent county structure plan estimates that an extra 7,150 jobs will be needed during the period 1978-1991. And about 3,800 of these will be needed to meet an increase in the number of school-leavers.

In the light of these figures, the regional development grant cutbacks announced last July by Sir Keith Joseph, Industry Secretary, were obviously not to Torfaen's liking, though they could have been worse. Cwmbran, as an intermediate

development area, will lose its entitlement to most grants. The main exception is selective financial assistance under the 1972 Industry Act, which still will be available to companies which can make a sufficiently convincing case.

The rest of the borough has kept its development area status. However, this will still mean a reduction in the rate of grant from 20 per cent to 15 per cent of the cost of buildings, plant and machinery. It undoubtedly will enhance the attractions of Abertillery and steel closure-hit Ebbw Vale to the West, which will continue to enjoy the status of special development areas with a 22 per cent rate of grant.

Equally worrying are the cutbacks in public expenditure affecting the operations of the Welsh Development Agency and local government activity. The agency has had £9m lopped off its budget for the next financial year, which seems certain to result in a reduction in its advance factory building programme in the relatively better off parts of Wales, such as Torfaen. Most of the agency's resources will continue to be directed at trying to offset the major steel job losses in Cardiff, Ebbw Vale and Shotton.

Squeeze

Meanwhile, the squeeze on local authority spending is already limiting severely Torfaen's own efforts to attract industry. But the borough is not sitting back and wringing its hands. Recent discussions between Torfaen and Cwmbran Development Corporation have raised the possibility of the two joining forces to build more factories. Broadly speaking, Torfaen has the land but no

money, while Cwmbran can finance new factories but has a shortage of land within its designated area.

At the same time, Torfaen has been quicker than almost every other local authority in Wales to investigate the finance for industrial development available on exceptionally attractive terms from the European Coal and Steel Community and the European Investment Bank—as befits the valley which reared the president of the European Commission, Mr. Roy Jenkins, who was born and bred at Aberystwyth, just above Pontypool.

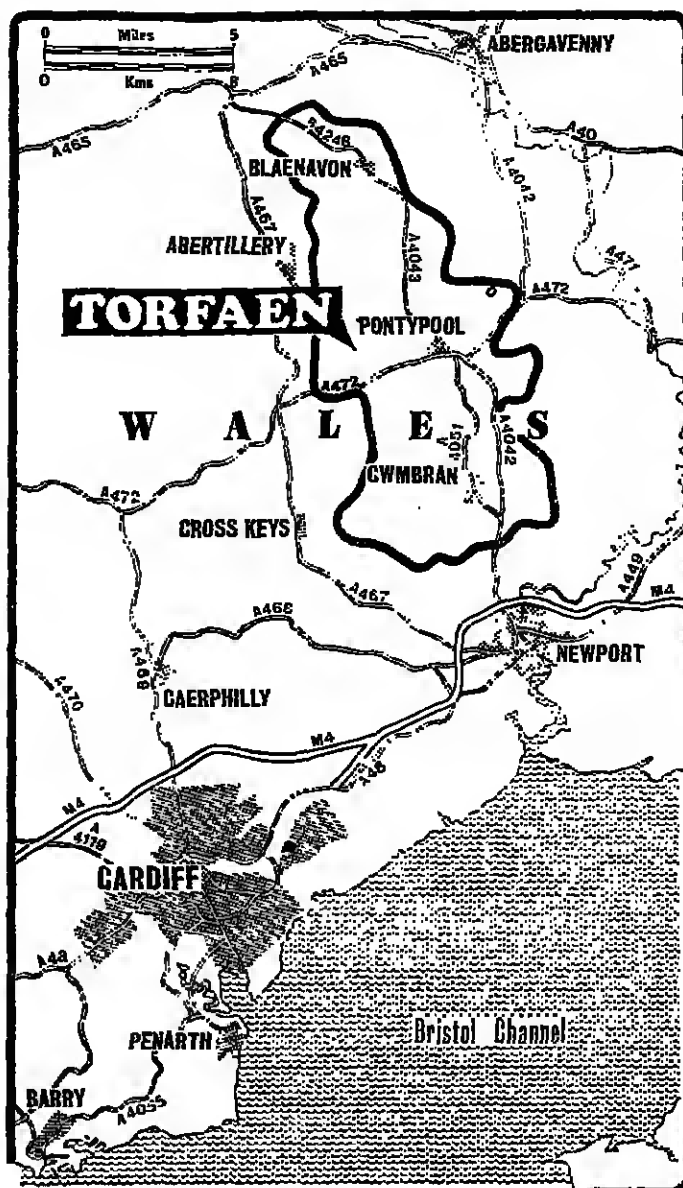
ECSC loans are now available for suitable incoming industry which, effectively, can mean that no repayments are due for the first five years.

In the final analysis, Torfaen still enjoys one powerful advantage over every other part of Wales: that it is the nearest location to London and the Home Counties offering development area incentives. The proximity of the Severn Bridge and the M4 and M5 motorways have brought both London and Birmingham within two hours' reach.

Newport, three miles to the south, has British Rail's HS 125 Inter-City service, which brings Paddington within 90 minutes' journey time and provides an easy link with Heathrow Airport. There are also ample port facilities nearby.

Yet, surprisingly, it could turn out to be tourism which satisfies a far greater proportion of Torfaen's employment needs over the next five to ten years.

As is detailed elsewhere in this survey, there is an unusual wealth of industrial history in the valley and extensive recreation and leisure facilities.



Borough of Torfaen and nearby towns

You're thinking about

building a new factory?

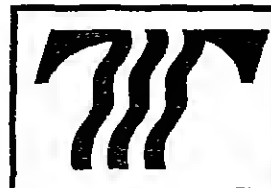
Torfaen – the Eastern Valley of Gwent and the first South Wales Development Area next to London – has a proven track record for settling new industry. How fast can we move? Well, the £20 million Fibreglass factory was sited in just six hectic weeks from scratch, but with full public consultation. We have first hand experience of European Coal and Steel Community money matters, so our financial staff can be a big help to prospective developers.



We go out of our way, whatever the project, and there are bonuses, too... speedy links with the M4, M50 and main railway lines... good labour resources... a better housing situation than most (especially for key workers)... and some of the best recreation and leisure facilities in Britain.

Developing heritage trails and industrial museum sites (after all Torfaen was the cradle of the world's first really commercial steel making process) mean tremendous tourist potential. There are big things afoot – and hotel site possibilities.

Contact: Alan Pitts, Chief Technical Officer, Borough of Torfaen, Council Offices, Hanbury Road, Pontypool, Gwent NP4 6BY. Tel: Pontypool 2471 ext. 287



Borough of Torfaen

It's a site quicker!

TORFAEN II

Cwmbran seeks more industrial land

IT IS EXACTLY 30 years since Cwmbran was designated a new town and began the process of transformation from a few scattered villages into the sixth largest town in Wales, with a population of 45,000 people.

At the outset the total population of the area resided about 12,000, but large numbers were travelling to work in factories brought into the neighbourhood during the 1939-45 war and immediately after. The task of Cwmbran Development Corporation was to build homes and provide an attractive environment which would persuade people to settle in the area, and act as a focal point for bringing new industry into South-East Wales.

It was not the easiest of places to develop. Only 2½ miles square, it had a limited amount of flat land and was crossed by two railways, a river, and a canal, requiring the building of seven big bridges to provide

adequate communications through the town.

But by common consent, Cwmbran has developed into one of Britain's most successful new towns—at a cost to date of £57m. The fact that it has been allowed to grow at a human pace and with the presence of old-established communities inside the designated areas, undoubtedly have helped to foster a sense of communal loyalty in the nine residential neighbourhoods, grouped around the town centre.

So have the exceptional leisure and recreational facilities and the corporation's

overwhelming emphasis on building houses with gardens—it has only one high-rise residential building and flats make up no more than 14 per cent of the corporation's housing stock.

Each residential neighbourhood has its own lively social, education and shopping facilities but the development corporation's proudest commercial achievement is the town centre, a large pedestrian shopping area which has attracted many of the big names in UK retailing.

Although the centre is not quite complete, 250 shops are trading successfully, including a department store of 33,000

square feet. A Woolco store of 100,000 square feet and the more recent arrivals of Marks and Spencer and Sainsbury's—the first Sainsbury's in Wales.

The secret of the development corporation's success has been to make all car parking in the town centre free. No other part of the county of Gwent—and above all the larger town of Newport, three miles to the south—is able to offer free parking for 4,000 cars at a time in multi-storey car parks giving immediate access to a congested, heavily covered shopping area.

Cwmbran first began actively promoting its merits as an industrial re-location centre in 1959, when it was felt that the town was perhaps too dependent upon a few large employers and needed a greater diversity of companies which were there at the beginning or arrived early on in the town's development, continue to be the mainstay of the local economy: Lucas Girling, Saunders Valve, Burtons Biscuits, Alpha Laval, Siebe

Gorman, Precision Forgings to name a few. But now there is also an impressive range of smaller and medium-sized companies representing a wide variety of industries and skills.

The process of diversification undoubtedly has been helped by Cwmbran's intermediate development area status during the 1970s. Combined with the corporation's power to build industrial estates and factory units, the town is now able to boast that more than 200 companies have moved into the area over the past 20 years.

Cwmbran's point of view is that Ferranti has not been diverted by Sir Keith Joseph's decision to phase out regional aid for intermediate areas with effect from next August. Ferranti, at least, bears out his contention that taxpayers' money is not necessarily required to attract industry to such areas.

Indeed, the industrial and social benefits accruing to Cwmbran as a result of its new town as well as its intermediate area status have long been a bone of contention in other parts of South Wales. Immediately after last year's closure of steelmaking at Ebbw Vale with the loss of 2,000 (now 3,000) jobs, there was a half-serious suggestion that the development corporation should be wound up in Cwmbran and transferred to Ebbw Vale.

of the county council and county police of Gwent, making the town the unofficial capital of Gwent—even if the title of capital is jealously guarded by neighbouring Newport.

Cwmbran's immediate concerns are a relative shortage of industrial land within the designated new town area to meet its population target, and the effects of the Government's policy changes towards new towns which now require the development corporation to dispose of part of its assets.

On the first, Cwmbran's target population has been set at 55,000 people, a rise of 10,000 on its present level. Towards this end, Mr. John Morris, the previous Secretary of State for Wales, sanctioned an extension of the designated area, to the south west, and the building of a further 2,000 houses.

However, he struck out of the scheme provision for additional industrial space, which the new Welsh Secretary, Mr. Nicholas Edwards, has agreed to look at again. But if other parts of Wales are in greater need, it will be surprising if he accedes to the request.

A more promising solution could be the recently-mooted suggestion that the development corporation and Torfaen borough join forces to build advance industrial accommodation outside the designated area.

The disposal of assets is still the subject of consultations over the quantity to be put on the market and the ways and means by which this might be done. But it clearly raises some difficult problems. What, for example, will happen to the provision of free parking in the central shopping area, if the development corporation loses the rental revenue from its commercial properties once it makes the disposal the Government requires? Nobody yet knows the answer.

Attract

Ferranti is the latest arrival and one of Cwmbran's most important captures. Although present since 1971, the group's new decision to sit a computer systems design, development and research unit in Cwmbran offers the prospect of up to 1,000 jobs in the advanced technology field over the next ten years.

Particularly heartening from

CWMBRAN'S PRINCIPAL INDUSTRIAL EMPLOYERS

Alfa-Laval	(dairy machinery)
Atlas Copco	(plant maintenance)
Bortons Biscuits	(die-casting machinery)
Dimo	(cosmetics)
Eylure	(computer systems)
Ferranti	(steel fabrication)
Frank Thack and Roskilly	(electronics)
I. G. Engineering	(cans and closures)
Inchley Engineering	(automotive parts)
Limpac	(printed metal boxes)
Lucas Girling	(diaphragm valves)
Metalitho	(diving equipment)
Precision Forgings	
Saunders Valve	
Siebe Gorman	
S. Wales Electricity Board	

Cwmbran is quick to point out, quite fairly, that it too has an unemployment problem, partly because it has been less successful than it might have been in attracting office and administrative employment. In the early 1970s, the town appeared set to win a major prize—the transfer of the University of Wales' Institute of Science and Technology (UIWIST) from Cardiff to a green field site within the new town's boundaries. But the plan foundered at the last minute.

Given a crystal ball, Cwmbran might have gained a share of the office re-location boom in the early 1970s. As it is, the insurance and banking businesses which have moved out of London in the 1970s have got no further than Bristol, Gloucester and Cheltenham.

More recently, Cwmbran has had the consolation of becoming the administrative headquarters

A Free and Confidential Service to Industry.....

A team of professionals will help with all aspects of re-location, planning, finance and the acquisition of property in an area blessed with beautiful countryside, excellent communications and a plentiful supply of labour.

A phone call is all that is required.

...063-33-69867...

Or, if you prefer, write to Gordon Probert or Ian Rooks, Gwent County Council, County Hall, Cwmbran, Gwent. NP44 2XF.



Gwent — the nearest Assisted Area to London and the South East.

Successfully established in Cwmbran since 1974, Ferranti are now going to build a new Design, Development and Research Unit at Ty Coch, with an initial investment of £5½ million.

Most of its personnel will be professional people—systems engineers, designers, programmers and so on, many no doubt from the considerable fund of qualified people and graduates who live in the area. They will help to develop the well known Ferranti digital system

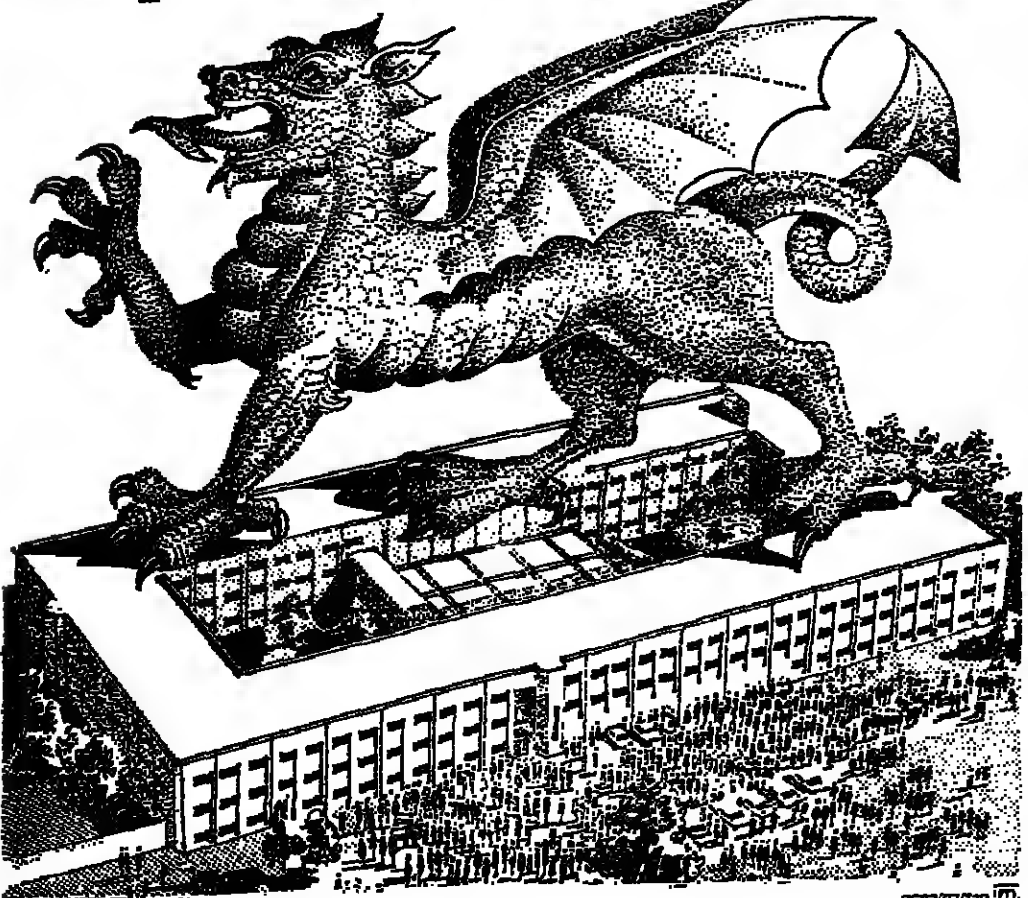
hardware and software for naval avionics, ATC, air defence and army systems. The Unit will also be involved in designing microcircuits for silicon chips.

Ferranti are part of a great future in Cwmbran.

Ferranti Computer Systems Limited
Head Office: Western Road, Bracknell, Berkshire RG12 1RA. Tel: 0344 3232

FERRANTI Computer Systems

Ferranti are building scope for professional skill in Wales.



Decision to stay suits glassmaker

PILKINGTON, the glass manufacturer, first came to Pontypool in 1933, establishing a sheet glass works just outside the town which brought new hope to a community which had been hit badly by the Depression.

The company quickly won the allegiance of local people, gaining a reputation for being one of the most progressive employers in the area—it was one of the first to establish a non-contributory health and welfare scheme for its workforce.

But by the early 1970s, Pilkington's days in Pontypool appeared numbered. The company's invention of the float glass method of production had rendered obsolete its traditional sheet glass plants. Although Pontypool was efficient, it was away from the main production centre at the company's headquarters in St. Helens, Lancashire, and it seemed only a matter of time before the plant would be shut down. Morale among the 600 workforce was low.

Had Pilkington wanted to sever its connection with the area, it had the perfect excuse of technological change for doing so. But the company's experience in Pontypool had been a happy one and it demonstrated its satisfaction by

choosing Cwmbran next door as the site for a new £20m Fibreglass insulation manufacturing plant to meet the growing demand for insulation which followed the 1973 oil crisis.

To find a suitable site was not easy. The sheet glass works site was too small and fears of pollution led to a build up of local opposition to a possible plant in rural Gwent. But the way eventually was cleared for the Cwmbran site through a series of public meetings organised by Torfaen Council to explain exactly what was involved, and an offer by Pilkington to build a higher stack than legally required to take away furnace emissions.

The Pontypool sheet glass works shut down in August 1975, by which time the labor force had been reduced through early retirement from 600 to 400. All but 100 of these were given both severance payments over and above the statutory requirement and the guarantee of a job in the new plant when it was completed. The remainder were given first option should additional jobs be created once production was under way.

Forteen months later the retained labor force was back at work producing Fibreglass. Thanks to the exceptionally dry winter and summer construction of the new plant was completed

in 18 months and began production in October 1976. Within 12 months the pool of former employees with an option on additional jobs was exhausted—they had been either taken on or settled in employment elsewhere—and the company began recruiting new employees. Today the payroll is back up to 425.

Operations in the first year ran far from smoothly. The plant managed to produce only 50 per cent of its nominal capacity. Combined with an acute depression in the building trade, the venture would have been in even more difficulty had the company not secured a valuable export market in Sweden, which took half of the output.

The second year, however, the plant achieved full capacity and is running now at a remarkable 140 per cent of its nominal output.

Even so, Pilkington is hard put at present to meet the renewed upsurge in demand for Fibreglass insulation. There is a 22-week lag in guaranteed deliveries because of the big boost to sales given by the Government's energy-saving incentives and the rise in energy prices. But for the management, the overall picture adds up to a complete vindication of Pilkington's decision to stay in Torfaen.

Leader in biochemicals

TORFAEN'S WINDSWEEP Thomas Industrial Estate at Blaenavon is the home of a world leader in the manufacture of enzymes and research biochemicals. Biozyme Laboratories is the brainchild of a South African, Rashid Domingo, who after qualifying at Cape Town University began a research career with Seravac Laboratories in Cape Town and Maidenhead.

In 1963, the company was taken over by Miles Laboratories and two years later the parent company decided to switch the work of the research group away from enzymes to other products.

Mr. Domingo was convinced Miles was making a mistake and decided to break away and start his own company. Three other fellow researchers, Mabdi Benardien (another South African), David Roberts and Linda Wood opted to go with him and Biozyme Laboratories, 75 per cent owned by Domingo and 25 per cent by Mr. Benardien, began life in a converted garage in Bourne End in 1971.

Within two years the company found that its facilities and staff were too small to cope with the orders flowing in from the U.S. and the Continent and in June 1974 it moved to a 6,500 sq ft factory and office building in Blaenavon. The location was chosen primarily because it was on the end of

the M4, allowing quick access to Heathrow Airport, the company's main export point. The staff was quickly built up to 17.

Enzyme manufacture requires patience, biochemical expertise, and large tonnages of raw material, which include animal offal and umbilical cords, to produce minute quantities costing from £28 to £120,000 a ounce. The yield from horse-radish, for example, used to produce the enzyme peroxidase, is about four ounces per ton.

Biozyme specialises in enzymes for diagnostic medicine. They are used to test the body's fluids for substances which indicate a malfunctioning of the body system before outward signs appear. The company has pioneered new techniques for isolating and extracting certain very unstable enzymes, boosting its number of products on offer to 52. In the last two years it has become the largest producer of some diagnostic enzymes and is now counted among the six major enzyme manufacturers in the world.

Schedules

Mr. Domingo admits the move to Blaenavon was far from successful to start with. He met what he described as "them and us" attitude among some of the employees, damaging to a small enterprise producing highly perishable products on

very tight schedules. In 1976, he seriously investigated the possibility of transferring the laboratory to Australia or South Africa and the staff was cut by half in anticipation of the move. However, the project fell through, not least because labour costs overseas turned out to be much higher.

Biozyme is now happily rooted in the area. The labour relations problem has been ironed out and the number of staff has climbed to 20, all of whom, Mr. Domingo says, are first class. A new laboratory extension, doubling the size of the existing premises, is under construction and a further 15 staff are to be taken on next year.

Biozyme's annual turnover is now approaching £1m and total sales are showing a 30-fold increase over the volume in the company's first year of operations in 1972.

Well over 90 per cent of Biozyme's production is exported to customers in all five continents and Mr. Domingo, who spends four months a year abroad marketing the company's products, is in no doubt the market will go on expanding rapidly.

In the meantime, Biozyme's achievement has already won national recognition. This year, the company was chosen for both the Queen's Award for Export and Technology and the British Chambers of Commerce award for smaller manufacturers.

Alfa-Laval

here,
there,
everywhere

At Cwmbran, in the Torfaen valley, South Wales, Alfa-Laval's Farm Equipment Division is backing the world's most productive farming industry with sophisticated and practical equipment.

Just one arm of an international operation designing, manufacturing, marketing and maintaining a vast range of products for the world's farming, food, chemical, marine and power industries.

ALFA-LAVAL

Alfa-Laval Farm Equipment Division
Cwmbran, Gwent, Wales.

Panteg

INVESTMENT IN THE FUTURE

A major investment programme has created at Panteg, Torfaen, one of the most modern and efficient steelworks in the world. Panteg is one of two fully integrated steelworks, together known as BSC Stainless, and manufacturing high quality stainless steel flat products.

The aim is to dominate the U.K. market and increase shares of markets overseas. And with this new plant and the skills and enthusiasm of the workforce, we're confident that the investment is paying off. Today. And for the future.

stainless

Panteg Works, P.O. Box 1, Griffithstown, Pontypool, Gwent NP4 5YH.

هكذا من الأهل

TORFAEN III

Investment in leisure facilities pays off

TORFAEN IS the home of a comprehensive investment in recreational and leisure facilities which has become a Mecca for local authority planners throughout the UK and the Continent. Within the borough's boundaries, serving a population of 84,000 people, are seven major leisure centres, three of them in secondary schools remodelled for community use, 17 community centres, a multi-use theatre, a boating lake and a golf course.

Most of the leisure centres are equipped with a swimming pool, multi-purpose halls, squash courts, lounge bar and restaurants or cafeterias and children's areas. The Cwmbran centre has the only international-standard athletic track in Wales, an eight-lane, 400-metre track with an all-weather surface and floodlights; and there are playing fields and a 3,000-capacity grandstand.

In 1976 the Pontypool Leisure Centre, set in 170 acres of urban parkland, won the Sports Council's first award for sports centre management. It has a floodlit artificial ski slope attracting enthusiasts from as far away as Birmingham for an evening's practice and the Swiss have been over to investigate how Pontypool manages to turn out such good skiers on a plastic run.

Budgets

It is not so much the remarkably wide-ranging facilities themselves which have attracted the attention of social planners throughout the country, but the philosophy behind their development and management. Gwent as a county was always strong on recreational development but it is to the credit of the old urban district councils of Blaenavon and Pontypool, as well as the Cwmbran Development Corporation, that in the 1960s they foresaw the growing "problem" of leisure in the 1970s and 1980s



A concert in Gwent Square, Cwmbran, livenes the scene for shoppers in the new town

and delved deep into their budgets to meet it.

At the same time, the strong sense of community ruled out joint facilities — the people of Pontypool and Blaenavon do not swim in each other's pools. So major investments were undertaken in different parts of what is now Torfaen involving an outlay which would be prohibitive in today's economic climate.

In 1974, management passed to the newly created Borough of Torfaen but the need to continue responding on this community basis has remained a guiding principle — Torfaen itself will never be a single community.

Three other principles followed by the council's management team are to strive constantly to satisfy the demand for every conceivable form of leisure and recreational activity, to involve local people in the planning, development and running of them, and to ensure that they are well promoted and above all well managed.

This means in practice that the management of any one of the borough's centres is geared up to change the use of the same hall from a venue for a badminton or indoor tennis tournament on, say, a Saturday afternoon, to one for an operatic concert in the evening, a pigeon show on the Sunday morning and a club dinner and dance that evening. In short every effort is made to avoid the centres getting a track suit image. Every section of the community is encouraged to use them, and the manage-

ment's aim is to move as many people as possible through the buildings.

To achieve this has involved looking way beyond the bricks and mortar and technical requirements of clean water and adequate equipment. These are regarded as mere details. Torfaen's management team is instilled with the central objective of ensuring that everybody who uses a leisure centre for whatever reason has a pleasant experience from the moment they enter the building to the time they leave and are therefore happy to return time and again.

Attitude

This is a far cry from the attitude of many local authorities in urban areas who have sadly neglected leisure planning and merely put up the odd swimming pool or sports hall and simply left it in the hands of a caretaker. Besides being totally insufficient for the size of community they are meant to serve, such premises also soon deteriorate and become spoilt by vandals because of inadequate management, driving away the people they are meant to serve.

Alternatively, pools and sports halls can become monopolised by block club bookings which cause the management problem but tends to be socially divisive.

Of course, lavish recreation and leisure facilities are not cheap to run. The net expenditure by Torfaen Council is running at £2.4m a year, one of the

highest outlays on leisure services of any UK local authority. But the remarkable figure of 2m people a year pass through the facilities, 80 per cent of them residents of the borough, shows that they are well used.

The extent to which Torfaen's facilities are appreciated emerged from a detailed survey carried out recently by Birmingham University's Centre for Urban and Regional Studies. In a random sample of the area, 81 per cent of respondents said facilities were available "close" to their home, 74 per cent had been to a centre within the past year, 61 per cent on a regular basis and 47 per cent in the past week. Moreover, the range of users reflected the composition of the community as a whole.

In these circumstances, Torfaen is in no doubt that the large outlay of rates income each year on leisure facilities is money well spent. It may cost the borough an average of 30p per person per week, but one way of looking at it is that this can be set against the £5,000 it costs to get a youth who has offended through the courts to Borstal and £5,000 a year to keep him there. Prison costs £80 per person per week, a remand home £189 and an approved school £107.

It is an arithmetical comparison which Torfaen feels that the government, as well as many local authorities, ought to take more to heart in the debate over public expenditure priorities.

Tourism stems from industrial history

"A FUTURE FOR Torfaen's past" is the slogan of the Torfaen Museum Trust, created only last year as a charitable limited company dedicated to preserving the borough's unusually rich heritage.

Its foundation is a recognition that Torfaen contains so much interesting history that, combined with the borough's very extensive recreation and leisure facilities, it offers the opportunity to develop an important tourist industry. The communities which now lie within the boundaries of Torfaen not only figure in every study of Britain's industrial history but they are also of world significance.

It was skilled ironworkers from Pontypool who established the first American ironworks at Lynn, Massachusetts, in 1646. The first commercial tinplate in Britain was produced at Pontypool in 1703. The technique of jannining metal was invented at Pontypool in 1730.

Most remarkable of all, however, were the experiments of Sydney Gilchrist Thomas and his cousin Percy Thomas in Blaenavon. It was here in 1878 that the two young men established that the addition of a basic material such as lime, magnesia, or dolomite to Bessemer converters enabled good steel to be made from iron ore containing phosphorus. Added during the smelting process, it readily absorbed the phosphorus and also combined with the furnace lining. Andrew Carnegies paid £250,000 for the formula in 1880 and said that Gilchrist and Thomas of Blaenavon had done more for Britain's greatness than all the kings and queens put together. "Moses struck the rock and brought forth water. They struck the useless phosphoric ore and transformed it into steel—a far greater miracle," he declared.

Less than 10 per cent of known iron ore reserves at the time were non-phosphoric. The discovery thus paved the way for the massive expansion of the steel industry on the continent and in America. Outside Britain the product is still known in some places as "Thomas steel". The basic slag left in the furnace was also found to be a very effective fertiliser, from which food and agriculture production the world over has greatly benefited.

The Blaenavon iron works where Thomas and Gilchrist carried out their experiments has been long dismantled. But on the edge of Blaenavon is still the best-preserved example of a late 18th century ironworks in Britain, complete with workers' cottages and trucking shop. It is being carefully restored by the Welsh Office.

Decision

Throughout the valley there is an unusual store of undisturbed history: industrial monuments, workers' houses, public buildings, a school and places of worship which vividly illustrate the development of industry and society in the 18th and 19th centuries. Blaenavon is the only one of the South Wales valleys to retain its 19th century character, thanks to a decision by the old Blaenavon urban district council to go in for rehabilitation rather than demolition of housing and other buildings.

Within its strictly limited resources, obtained from the Government, the local authorities and industry, the trust is pressing ahead with a number of projects which will add significantly to Torfaen's tourist potential.

They include the setting up of a permanent interpretive centre of the valley's history

in the Georgian stables of Pontypool Park House, the rehabilitation of a row of early 19th century workers' cottages, restoration of the junction area of the Monmouth, Brecon and Abergavenny canals at Pontymoel, the conservation of an important coal winning site at Clyn Ffiss, Pontypool and a rural life and crafts centre at Llanvrafa Farm, Cwmbran.

However, Torfaen's most ambitious heritage project is a National Coal Board proposal to turn the underground workings and surface buildings of Big Pit, Blaenavon — now nearing the end of its operational life — into a specialist museum to illustrate and interpret the history of the coal mining industry in South Wales.

The report, just published, of a joint steering group set up by the Wals Tourist Board estimates the capital cost of the project at about £800,000 spread over five years and operating costs of up to £150,000 annually.

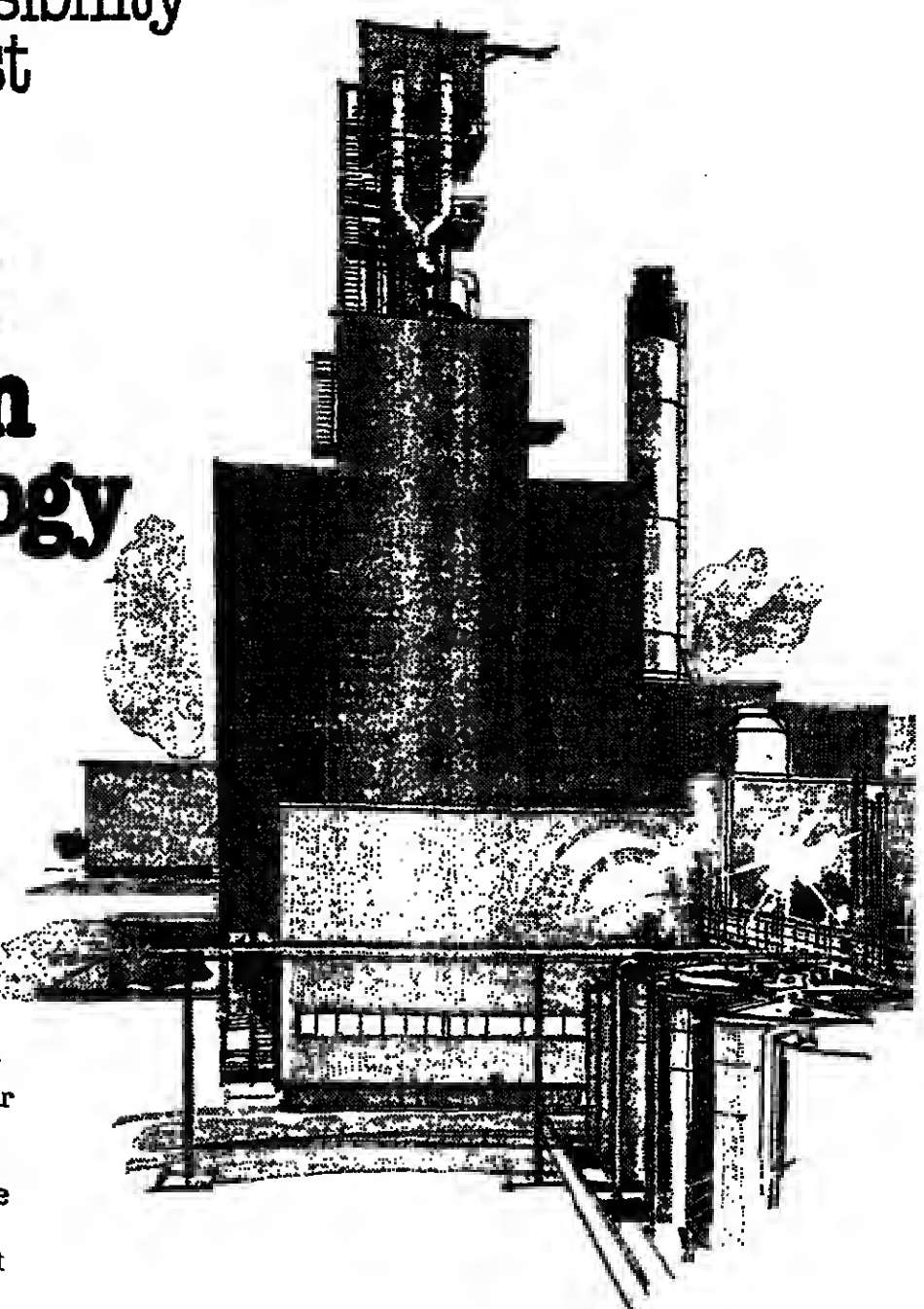
This is a lot of money, but the report calculates that the project could operate viably given 100,000 visitors a year, or even fewer if expenditure on refreshments, literature and other site services is higher than estimated. The report's recommendations are still under discussion but if the scheme gets the backing it requires, seems certain to provide the impetus for the growth of tourism as a significant industry in the valley.

The thousands of visitors who now flock each year to see the slate mines at Blaenau Ffestiniog in North Wales have demonstrated the potential for this type of attraction and Blaenavon is in some ways better placed. A majority of the population of Britain — 32m people — live within four hours' drive of the town.

هكذا من التحول

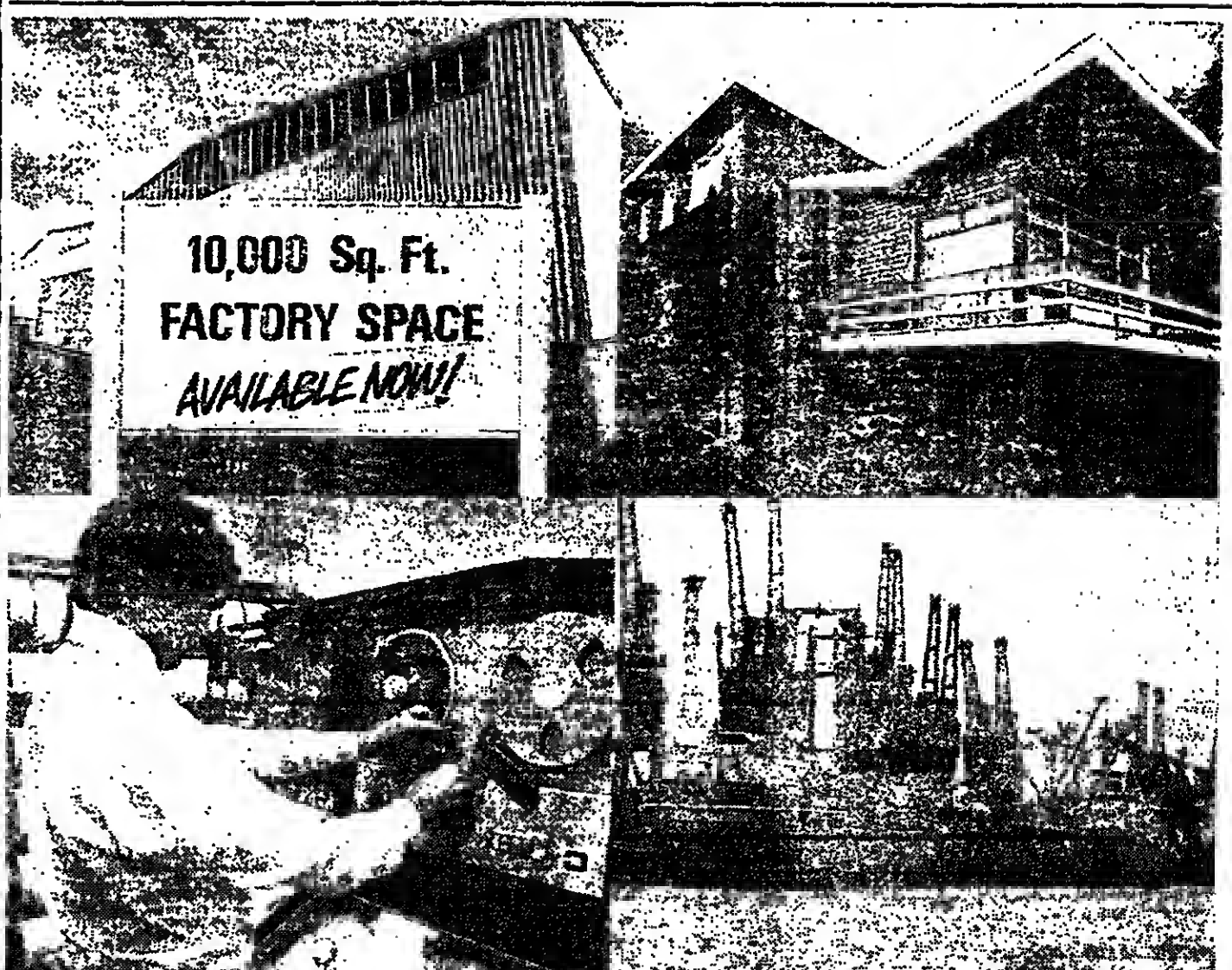
The responsibility of being best means staying ahead in technology

When our factory started up at Pontyfelin three years ago (continuing a long term Pilkington association with the district) it was acknowledged to be the most advanced insulation manufacturing unit in the world. To ensure that we retain that enviable position we pursue a policy of constant technical improvement, because we are absolutely committed to ensuring our continuing pre-eminence both in the quality of the energy-saving products we manufacture, and in the quality of the environment in which we manufacture them.



FIBREGLASS the best way to say insulation

Fibreglass Limited Insulation Division St Helens Merseyside WA10 3TR A subsidiary of Pilkington Brothers Limited



You don't have to look too hard to see the benefits of Cwmbran New Town.

Industrialists considering expansion or relocation couldn't do better than Cwmbran New Town, garden city of Wales.

We have factory units up to 10,000 square feet for immediate letting. Good housing ready for key personnel. Plenty of labour.

London and the Midlands are only two hours by motorway or 90 minutes by rail, airports are conveniently close and some of Britain's best dock facilities are on the doorstep.

Life is good here. Golf, salmon fishing, the River Usk, Wye Valley and Brecon Beacons are all nearby.

Take a closer look. Literature is available

from R. W. Howlett, General Manager, Cwmbran Development Corporation, Cwmbran, Gwent NP44 1XZ. Or telephone Cwmbran 67777.

Cwmbran

Garden City of Wales

Name	_____
Position	_____
Company	_____
Address	_____

FT1

SAUNDERS

DIAPHRAGM VALVES THE WIDEST CHOICE IN THE WORLD

VALVES WORLDWIDE

A Carnbrun Company, and a world leader with the widest range of cone and screw down valves for processing.

Butterfly Valves A RANGE LINED OR UNLINED 2" - 24"

WORLD STOCK MARKETS

Early firmer Wall St. tone

ENERGY AND takeover issues continued to dominate investor interest as Wall Street again displayed a firmer bias in active early trading yesterday.

The Dow Jones Industrial Average was unaltered at 818.27 at noon, but the NYSE All Company Index added 16 cents at 559.02, while advances out scored falls by a seven-to-six ratio.

Analysts said the unsettled situation in Iran remained a drag on sentiment but that the market continued to benefit from hope that interest rates may be about to peak.

That hope was reinforced by slack motor sales and a decline in housing starts, signs of a slowing economy, analysts added.

Among energy stocks, McMoran Oil gained 1 1/2 to \$51, Phillips Petroleum 1 1/2 to \$49 1/2, Mesa Petroleum 1 1/2 to \$47 1/2 and Murphy Oil 1 1/2 to \$58 1/2.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

abare exchange offer. Circle K climbed 32 to \$22. It has announced a stock split, raised the dividend, reported higher second-quarter earnings and forecast sharply higher 1980 profits.

The Dow Jones Industrial Average was unaltered at 818.27 at noon, but the NYSE All Company Index added 16 cents at 559.02, while advances out scored falls by a seven-to-six ratio.

Analysts said the unsettled situation in Iran remained a drag on sentiment but that the market continued to benefit from hope that interest rates may be about to peak.

That hope was reinforced by slack motor sales and a decline in housing starts, signs of a slowing economy, analysts added.

Among energy stocks, McMoran Oil gained 1 1/2 to \$51, Phillips Petroleum 1 1/2 to \$49 1/2, Mesa Petroleum 1 1/2 to \$47 1/2 and Murphy Oil 1 1/2 to \$58 1/2.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

result of the yen's continued decline against the U.S. currency. Canon lost 10 to \$68 and Ricoh Y11 to \$87. Elsewhere in the exporting sector, Honda Motors dipped Y14 to \$66. Nissan Motors Y12 to \$67 and TDK Electronics Y20 to \$71, but Matsushita Electrical put on Y7 to \$74.

The Oil and Gas sector companies were firm. Mitsubishi Gas Chemical, reported considering a natural gas price increase, advanced Mitsui Toatsu Chemicals Y3 to Y23 following its earnings report.

Dredging concerns such as Gyoze Construction and Toyo Construction moved higher on speculation that there will be new developments in planned structures of a second Panama Canal by Japan, the U.S. and Panama. An international conference to discuss the plan is scheduled to be held in Tokyo beginning tomorrow.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Public Authority Bonds recorded fresh gains extending to 20 pennings and the Bundesbank sold a nominal DM 32.7m of paper. Mark Foreign Loans gained up to 56 pennings more.

The market closed slightly firmer on balance after a day of erratic trading with the Hang Seng index finally registering an improvement of 1.20, at 720.00.

After a cautious opening, operators began selling around mid-morning, to take the index to a morning close of 711.07, 7.19 points from the opening.

In the last half-hour or so of afternoon trading, however, stocks bounced back in a technical movement, assisted by news of sharp profit-taking in New World Development, which gained 7 cents to HK\$3.22.

Later sentiment was also assisted by a fatter Hong Kong dollar and easier interbank rates.

Hong Kong Bank put on 10 cents to HK\$1.50 and Hutchison Wharfedale 27 cents to HK\$2.00, but Jardine Matheson lost 20 cents to HK\$13.40.

Markets generally continued to show a downward tendency but there was a considerable easing of selling pressure with selective buying providing a number of bright spots. Oils were particularly favoured, while some mining leaders rallied.

The new gas show in Western Victoria reported by Beach Petroleum coupled with cheerful reports from the Surat Basin in Queensland where Esso intends to spend \$250m in the next dry season gave a boost to sentiment in the oil sector. Beach advanced 27 cents to \$2.00.

Among major partners in the Thomy Creek recent oil strikes in the Surat Basin, operator Bridge Oil gained 20 cents to \$3.75, while Crusader added 20 cents to \$4.90.

BHP, which has oil drilling interests on the Exmouth Plateau, recovered to \$39.20 but later retreated to close 4 cents lower on the day at \$39.20.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

Shares of Esso S.A.F. Esso Ref's parent company, closed 10 per cent higher after trading being suspended at one point due to a lack of selling orders.

NEW YORK

Table of stock prices for various companies in New York, including AMF, Am Int'l, ARA, Abbott Labs, etc.

Stock

Table of stock prices for various companies, including Columbia Gas, Con. Ins. Am., Combust. Eng., etc.

Stock

Table of stock prices for various companies, including GE. At. Pac. Tea, G. Basine Pat., G. N. Nekoosa, etc.

Stock

Table of stock prices for various companies, including Mega Petroleum, MGM, Medtronic, etc.

Stock

Table of stock prices for various companies, including Schiltz Brew, Schumacher, Scott Paper, etc.

INDICES

Table of various stock indices including Dow Jones, S&P 500, etc.

NEW YORK - DOW JONES

Table of Dow Jones Industrial Average and other indices.

STANDARD AND POORS

Table of Standard and Poors indices.

NEW YORK COMMON

Table of New York Common stock indices.

NEW YORK COMMON

Table of New York Common stock indices.

CANADA

Table of Canadian stock prices.

BELGIUM (continued)

Table of Belgian stock prices.

HOLLAND

Table of Dutch stock prices.

AUSTRALIA

Table of Australian stock prices.

JAPAN (continued)

Table of Japanese stock prices.

CANADA

Table of Canadian stock prices.

BELGIUM (continued)

Table of Belgian stock prices.

HOLLAND

Table of Dutch stock prices.

AUSTRALIA

Table of Australian stock prices.

JAPAN (continued)

Table of Japanese stock prices.

Vertical text on the left edge of the page.

Vertical text on the left edge of the page.

Vertical text on the left edge of the page.

Vertical text on the left edge of the page.

Vertical text on the left edge of the page.

Vertical text on the left edge of the page.

Vertical text on the left edge of the page.

Vertical text on the left edge of the page.

Vertical text on the left edge of the page.

Vertical text on the left edge of the page.

Companies and Markets

COMMODITIES AND AGRICULTURE

UK potato exports total £1m

EXPORTS OF potatoes from Britain worth about £1m have more than compensated for imports from the Common Market so far this season. Since August 1, when the main crop potato season officially opened, UK traders have shipped abroad 17,793 tonnes of potatoes, more than twice as many as in the comparable part of last year.

Most have gone to the Canary Islands, with small shipments to the West Indies and the Channel Islands. Imports on the other hand, which have been allowed into the UK this year for the first time following the European Court's ruling that Britain's import ban was illegal, so far total only 17,196 tonnes.

Belgium has sent almost 13,000 tonnes, Holland, the Community's biggest potato exporter, has shipped a surprisingly modest 4,500 tonnes, while West Germany has sent only a token 20 tonnes.

While prices in Britain have generally been satisfactory for UK producers, they are clearly not attractive to Common Market growers. Fears of a flood of imports after the lifting of the ban have not been realised.

Exports, although modest, are particularly satisfactory, as British traders have been out of contact with overseas buyers for some years.

In the 1960s and early 1970s, Britain had a solid export trade, selling more than 100,000 tonnes a year to a wide range of buyers. But the trade was lost after restrictions on exports were imposed to guarantee domestic supplies.

French trawler under suspicion

A FRENCH trawler was last night being escorted into Milford Haven under suspicion of fishing for shrimp in British waters, with illegal nets, the Ministry of Agriculture said. The boat, Kreis an Avel, was found in the approaches to the Bristol Channel by the fisheries protection vessel, HMS General. There have been several incidents recently involving British skippers.

Copper traders sceptical on Zambian war threat

By RICHARD MOONEY

FEARS THAT Zambia was about to declare war on Zimbabwe-Rhodesia sparked a sudden upsurge in copper prices on the London Metal Exchange yesterday morning. Cash copper wirebars rose nearly £20 to £1,002 a tonne in response to news from Lusaka that President Kaunda of Zambia had called up reservists to meet what he described as "a full-scale war situation."

But in the absence of further developments, prices gradually subsided and by the close cash wirebars were quoted only £11.25 up at £994.75 a tonne.

Zambia is the world's fourth largest copper producer and accounts for about 20 per cent of free-world exports. For the past year most of these have passed through Rhodesia. The South African port of East London. A war between these two countries could seriously

disrupt the world's copper supplies.

The other main exit routes for Zambian copper are all ruled out for various reasons. The Benguela railway through strife-torn Angola has been blocked for two years, and the Tanzania railway to Dar es Salaam has been out of action for several weeks following the blowing up of two bridges.

Some copper is transported to Dar es Salaam by road, but the lorry fleet is reported to be ageing to the point of serious unreliability. In any case, most of the roads are virtually impassable during the present rainy season.

As a result, more than two-thirds of the 50,000 tonnes of copper leaving Zambia each week is believed to be passing through Rhodesia.

Nevertheless, London metal traders seemed little impressed by Mr. Kaunda's announcement, which they saw as an expression

of support for Mr. Joshua Nkomo's Patriotic Front rather than as a serious war threat.

The copper market has lived for some time with shipment shortfalls from both Zambia and Zaire, because of production and transport problems. It has developed a tendency to discount announcements emanating from that part of the world.

Copper prices have eased back recently after the five-year peak of £1,100 a tonne reached early last month. All the signs are that the decline in consumption, which has encouraged this trend, is likely to continue.

Two weeks ago Copper Trends, Amalgamated Metal Trading's influential quarterly report, forecast that world consumption of refined copper would exceed production by 380,000 tonnes this year.

Next year, however, it expected production to outstrip demand by 350,000 tonnes. The build-up in stocks is expected to begin by the end of this year.

Aid sought for apple industry

By Our Commodities Staff

BRITISH FARMERS want to use Common Market funds at present spent on destroying apple surpluses to help set up a juice and processing industry and further aid to restructure UK orchards.

The National Farmers' Union will put the ideas to Mr. Peter Walker, Minister of Agriculture, at a meeting tomorrow.

The union pointed out yesterday that the Community was expected to spend £12.5m this season on buying 400,000 tonnes of unwanted apples—mostly for destruction.

Already this year, at least 20,000 tonnes of British apples have gone to waste. In Kent alone, 13,000 tonnes of early varieties were left unknicked, because market prices were uneconomical.

A further 7,000 tonnes had been disposed of in intervention areas, and about 3,000 tonnes were probably sold the same way, the union claimed.

Mr. Jack French, chairman of the NFU apple and pear committee, said the fruit industry needed grants for restructuring orchards because about 30 per cent of the trees in the country were at least 25 years old. It now costs £2,500 an acre to plant new ones.

The union is also to meet European MPs on Friday to investigate charges that the French have been dumping Golden Delicious apples in Britain at less than the cost of production.

Mr. French claimed France was selling at a loss in Britain to keep home prices high.

BRAZILIAN AGRICULTURE

High prices boost castor oil output

By RIK TURNER IN SAO PAULO

BRAZIL IS the world's leading producer of castor oil, responsible for more than 50 per cent of the global bean crop and 75 per cent of world oil production. This year's crop is expected to be about 27 per cent bigger than that of 1978, according to a recent estimate by the Ministry of Agriculture. This would mean a 1979-80 crop of 480,000 tonnes.

About 80 per cent of the country's oil exports go to France, the U.S., Holland and the UK, where the product is used in jet turbines, cosmetics, medicines, nylons, synthetic waxes and paints.

Experts point to two factors which have helped to bring about the expansion of castor production. First, the present market price is considered attractive by the producers as receiving Crs 9-10 (15-18p) a kilo.

Second, the Government has followed a price support policy which has encouraged producers to expand their cultivation area. Most producers of castor beans are small farmers, working between five and seven hectares of land.

Castor oil has been produced in Brazil since colonial times, when it was used to lubricate the machines on sugar plantations. The first factory producing the oil was established in 1875, and the product joined the list of Brazil's exports during the second world war.

Production grew steadily until 1973, when it reached 450,000 tonnes, out of a world total of 950,000 tonnes. Then the oil crisis led to an increase in the demand for alternatives to petroleum-derived mineral oils. Castor oil compares favourably with such oils for durability, but its greatest quality is its viscosity tolerance—it freezes or evaporates only at extreme temperatures.

With the sudden increase in demand, producers rushed to raise their production, beginning the cyclical movement of peaks and troughs which has characterised the castor oil market ever since. International demand encourages over-production, which in turn brings a drop in market prices, leading to cuts in production stimulating international demand, and so on. Disaster struck in 1974 and 1975, when market oscillations combined with bumper crops. The 1975 harvest of 580,000 tonnes was a record which producers have no interest in equalling at the moment.

The emphasis in Government policy is on developing the castor production in the state of Bahia. Economically, this makes sense in that it offers greater security against drought than the southern region. While lack of rain in the states of Parana and Sao Paulo meant losses of 28-30 per cent on the initial crop estimate in 1978-9, good rains in

Bahia meant an increase in that state of 77 per cent on the December 1977 estimate, taking production there to 240,000 tonnes and national output to 392,000 tonnes.

Support for castor bean production is important in social terms because it helps stop the flow of "Bahianos" away from the region to the urban centres of the south. This mass movement of people in search of work increases difficulties in the already overcrowded receptor areas and creates problems of labour shortages for agriculture in the migrants' homelands.

In the past, this has caused difficulties for castor producers who have been unable to sell their production forward for fear of not being able to harvest it all because of labour shortages.

Another reason for the existence of producer support prices has been the comparative monopoly on the crushing side of the industry. Five companies control 76 per cent of oil production. This contrasts with the picture on the production side, where the smallerholder still dominates. The discrepancy in the part of the crushers, who are in a position to dictate the prices the producer will receive, and who are better placed to withstand the vagaries of the international market.

Record EEC pork production

By CHRISTOPHER PARKES

COMMON MARKET production of pork and bacon has increased 5 per cent this year to a record 9.75m tonnes.

Consumption has also hit a new peak, with average intake rising 1.6 kilos to 37.5 kilos a head, the Meat and Livestock Commission says in its latest international survey.

EEC beef output, going against the world trend, rose 2 per cent with much of the increase being bought off the market by the Community's intervention agencies.

Intervention buying, which prevents surplus production from depressing prices, has increased sharply since June and the commission expects total purchases by the end of the year to total 320,000 tonnes. This would be 9,000 tonnes more than in 1978.

Production of mutton and lamb, stable this year at about 500,000 tonnes, is expected to rise by 20,000 tonnes next year, mainly as a result of the increase in the size of the British flock.

Sheep numbers are also increasing elsewhere in the world. The flock in New Zealand is the biggest for 10 years, and Australian sheep numbers

are expected to be at their highest since 1976.

New Zealand is expected to increase its exports of lamb in the season just starting by more than 20,000 tonnes. Last season, exports were 310,000 tonnes.

French imports of lamb in the first eight months of this year were 28,400 tonnes, about 4,500 tonnes lower than in the comparable part of 1978. Britain's share of this trade fell sharply from 26 per cent (8,000 tonnes) last year to 13 per cent (3,400 tonnes).

After increased output this year, EEC production of pork and beef is not expected to rise further in 1980. August census figures show a fall in the Community's herd of breeding pigs. But, the commission says, numbers could rise again next summer because pork is becoming increasingly profitable.

Holland and Denmark, the Community's main exporters of pig meat, both increased their sales abroad this year. Between January and August, Denmark's exports rose 10 per cent more than in the first eight months of 1978.

There are clear signs, however, that the Danes have been following their policy of diversifying away from the specialist

UK market. In the eight months for which figures are available, the UK bought only 57 per cent of Denmark's exports, compared with 66 per cent in 1978.

With beef production still falling world-wide, the commission forecasts further increases in prices. Output in the U.S. is now expected to be 10 per cent down in 1979, although little further decrease is forecast for next season.

Wool dearer at auction in Australia

GOULBURN—Wool prices were generally higher at yesterday's auction here.

Main competition came from Japan, with strong support from Western Europe. Eastern Europe and local mills bought sparingly, the official report said.

Of the 13,996 bales offered, the trade took 97 per cent, the Australian Wool Corporation took 1 per cent, and 2 per cent was passed in. Reuter

Record rubber imports in Japan

TOKYO—Japan's rubber imports in October reached a monthly record of 35,980 tonnes, compared with 28,564 tonnes in September, according to customs-cleared trade statistics.

This brought imports in the first 10 months of this year to 296,440 tonnes, compared with 290,537 in the same period last year.

October imports comprised 29,325 tonnes from Thailand, 5,791 from Malaysia, 3,236 from Indonesia, 351 from Singapore and 227 from elsewhere. Reuter

World oilseed supply will outstrip demand

WASHINGTON—World production of oilseeds and related products this year is forecast at a record 178m tonnes, up slightly from last month's estimate and 12 per cent above the previous year, the U.S. Agriculture Department said.

Soyabean output increases of 700,000 tonnes, mostly in the U.S., and sunflower gains of 200,000 tonnes, mostly in South Africa and Turkey, were partly offset by reductions in groundnut and rapeseed production forecasts.

The Department said world output of soyabeans would rise 18 per cent from 1978-79, sun-

Sugar futures fall again

WORLD RAW sugar futures values closed lower on the London market yesterday.

The March position ended the day £2.475 a tonne lower at £173.10, bringing the decline this week so far to more than £5.

Values fell sharply in the morning in anticipation of further falls when New York opened, but weakness in sterling helped steady the market, which later rallied in line with New York.

U.S. traders were optimistic about the outcome of the Senate foreign relations committee's talks on ratification of the International Sugar Agreement.

BRITISH COMMODITY MARKETS

BASE METALS

Copper—Settle ground but closed well below the day's highest levels on the London Metal Exchange. Forward metal opened higher at £285, reflecting the weakness of sterling and a move to around £281 before moving ahead strongly to touch £1,014 on reports that Zambia had declared total war on Zimbabwe-Rhodesia. In the afternoon the price held around the £1,005 level but fell sharply on the Kerb as metal dropped to £296 on the afternoon before closing at £297.5. Turnover: 21,375 tonnes.

Wirebars: Three months £1,005, 06, 07, 08, 07, 06. Cathodes: Three months £995, 97, 96, 95, 94, 1,000, 998, 98, 97, 98, 95, 97, 96, 97.

COPPER

Wirebars: 1000.5 +18 994.5 +11.4 Cash: 1015.4 +18 1006.7 +12.2 Settlement: 1003 +8 Cathodes: 992.5 +14 971.5 +4.7 5 months: 992.5 +14 971.5 +4.7 Settlement: 978 +4 U.S. Prod: +98.10

High Grade £ 500.00 +102 7460.00 +30 3 months 7435.00 +87.5 7600.00 +11.4 5 months 7510.00 +106 7680.00 +15 Standard 7500 +10 7500 +10 Straits £ 3200.00 +2 +10 New York: Morning: Standard: Cash £7,500, 40; three months £7,300, 20, 15; High Grade: Cash £7,500; three months £7,300; Standard: Three months £7,300; Standard: Three months £7,300; Standard: Three months £7,300.

ALUMINIUM

Settle ground but closed well below the day's highest levels on the London Metal Exchange. Forward metal opened higher at £285, reflecting the weakness of sterling and a move to around £281 before moving ahead strongly to touch £1,014 on reports that Zambia had declared total war on Zimbabwe-Rhodesia. In the afternoon the price held around the £1,005 level but fell sharply on the Kerb as metal dropped to £296 on the afternoon before closing at £297.5. Turnover: 21,375 tonnes.

Settle ground but closed well below the day's highest levels on the London Metal Exchange. Forward metal opened higher at £285, reflecting the weakness of sterling and a move to around £281 before moving ahead strongly to touch £1,014 on reports that Zambia had declared total war on Zimbabwe-Rhodesia. In the afternoon the price held around the £1,005 level but fell sharply on the Kerb as metal dropped to £296 on the afternoon before closing at £297.5. Turnover: 21,375 tonnes.

INSURANCE BASE RATES

Property Growth: 133% Vanbrugh Guaranteed: 141% Address shown under Insurance and Property Titles.

Record EEC pork production

By CHRISTOPHER PARKES

COMMON MARKET production of pork and bacon has increased 5 per cent this year to a record 9.75m tonnes.

Consumption has also hit a new peak, with average intake rising 1.6 kilos to 37.5 kilos a head, the Meat and Livestock Commission says in its latest international survey.

EEC beef output, going against the world trend, rose 2 per cent with much of the increase being bought off the market by the Community's intervention agencies.

Intervention buying, which prevents surplus production from depressing prices, has increased sharply since June and the commission expects total purchases by the end of the year to total 320,000 tonnes. This would be 9,000 tonnes more than in 1978.

Production of mutton and lamb, stable this year at about 500,000 tonnes, is expected to rise by 20,000 tonnes next year, mainly as a result of the increase in the size of the British flock.

Sheep numbers are also increasing elsewhere in the world. The flock in New Zealand is the biggest for 10 years, and Australian sheep numbers

are expected to be at their highest since 1976.

New Zealand is expected to increase its exports of lamb in the season just starting by more than 20,000 tonnes. Last season, exports were 310,000 tonnes.

French imports of lamb in the first eight months of this year were 28,400 tonnes, about 4,500 tonnes lower than in the comparable part of 1978. Britain's share of this trade fell sharply from 26 per cent (8,000 tonnes) last year to 13 per cent (3,400 tonnes).

After increased output this year, EEC production of pork and beef is not expected to rise further in 1980. August census figures show a fall in the Community's herd of breeding pigs. But, the commission says, numbers could rise again next summer because pork is becoming increasingly profitable.

Holland and Denmark, the Community's main exporters of pig meat, both increased their sales abroad this year. Between January and August, Denmark's exports rose 10 per cent more than in the first eight months of 1978.

There are clear signs, however, that the Danes have been following their policy of diversifying away from the specialist

UK market. In the eight months for which figures are available, the UK bought only 57 per cent of Denmark's exports, compared with 66 per cent in 1978.

With beef production still falling world-wide, the commission forecasts further increases in prices. Output in the U.S. is now expected to be 10 per cent down in 1979, although little further decrease is forecast for next season.

Wool dearer at auction in Australia

GOULBURN—Wool prices were generally higher at yesterday's auction here.

Main competition came from Japan, with strong support from Western Europe. Eastern Europe and local mills bought sparingly, the official report said.

Of the 13,996 bales offered, the trade took 97 per cent, the Australian Wool Corporation took 1 per cent, and 2 per cent was passed in. Reuter

Record rubber imports in Japan

TOKYO—Japan's rubber imports in October reached a monthly record of 35,980 tonnes, compared with 28,564 tonnes in September, according to customs-cleared trade statistics.

This brought imports in the first 10 months of this year to 296,440 tonnes, compared with 290,537 in the same period last year.

October imports comprised 29,325 tonnes from Thailand, 5,791 from Malaysia, 3,236 from Indonesia, 351 from Singapore and 227 from elsewhere. Reuter

Sugar futures fall again

WORLD RAW sugar futures values closed lower on the London market yesterday.

The March position ended the day £2.475 a tonne lower at £173.10, bringing the decline this week so far to more than £5.

Values fell sharply in the morning in anticipation of further falls when New York opened, but weakness in sterling helped steady the market, which later rallied in line with New York.

U.S. traders were optimistic about the outcome of the Senate foreign relations committee's talks on ratification of the International Sugar Agreement.

Russia and Japan agree whale quotas

TOKYO—Japan will be allowed to take 3,279 minke whales and the Soviet Union 3,879 in the 1979-80 whaling season in the southern hemisphere, the Japan Fisheries Agency said.

The agreement, which was signed in Tokyo, allows Japan to take 3,279 minke whales and the Soviet Union 3,879 in the 1979-80 whaling season in the southern hemisphere, the Japan Fisheries Agency said.

The agreement, which was signed in Tokyo, allows Japan to take 3,279 minke whales and the Soviet Union 3,879 in the 1979-80 whaling season in the southern hemisphere, the Japan Fisheries Agency said.

The agreement, which was signed in Tokyo, allows Japan to take 3,279 minke whales and the Soviet Union 3,879 in the 1979-80 whaling season in the southern hemisphere, the Japan Fisheries Agency said.

World oilseed supply will outstrip demand

WASHINGTON—World production of oilseeds and related products this year is forecast at a record 178m tonnes, up slightly from last month's estimate and 12 per cent above the previous year, the U.S. Agriculture Department said.

Soyabean output increases of 700,000 tonnes, mostly in the U.S., and sunflower gains of 200,000 tonnes, mostly in South Africa and Turkey, were partly offset by reductions in groundnut and rapeseed production forecasts.

The Department said world output of soyabeans would rise 18 per cent from 1978-79, sun-

PRICE CHANGES

In tonnes unless otherwise stated.

Table with columns: Commodity, Nov 80, + or -, Nov 79, + or -, Month ago. Includes Metals, Free Mkt, Copper, Cash, Nickel, etc.

COFFEE

Table with columns: Commodity, Nov 80, + or -, Nov 79, + or -, Month ago. Includes Arabica, Robusta, etc.

SOYABEAN MEAL

Table with columns: Commodity, Nov 80, + or -, Nov 79, + or -, Month ago. Includes Soyabean Meal, etc.

SUGAR

Table with columns: Commodity, Nov 80, + or -, Nov 79, + or -, Month ago. Includes Raw Sugar, etc.

GRAINS

Table with columns: Commodity, Nov 80, + or -, Nov 79, + or -, Month ago. Includes Wheat, Barley, etc.

WHEAT

Table with columns: Commodity, Nov 80, + or -, Nov 79, + or -, Month ago. Includes Wheat, etc.

BARLEY

Table with columns: Commodity, Nov 80, + or -, Nov 79, + or -, Month ago. Includes Barley, etc.

WHEAT

Table with columns: Commodity, Nov 80, + or -, Nov 79, + or -, Month ago. Includes Wheat, etc.

WHEAT

Table with columns: Commodity, Nov 80, + or -, Nov 79, + or -, Month ago. Includes Wheat, etc.

BARLEY

Table with columns: Commodity, Nov 80, + or -, Nov 79, + or -, Month ago. Includes Barley, etc.

WHEAT

Table with columns: Commodity, Nov 80, + or -, Nov 79, + or -, Month ago. Includes Wheat, etc.

BARLEY

Table with columns: Commodity, Nov 80, + or -, Nov 79, + or -, Month ago. Includes Barley, etc.

WHEAT

Table with columns: Commodity, Nov 80, + or -, Nov 79, + or -, Month ago. Includes Wheat, etc.

BARLEY

Table with columns: Commodity, Nov 80, + or -, Nov 79, + or -, Month ago. Includes Barley, etc.

WHEAT

Table with columns: Commodity, Nov 80, + or -, Nov 79, + or -, Month ago. Includes Wheat, etc.

BARLEY

Table with columns: Commodity, Nov 80, + or -, Nov 79, + or -, Month ago. Includes Barley, etc.

WHEAT

Table with columns: Commodity, Nov 80, + or -, Nov 79, + or -, Month ago. Includes Wheat, etc.

BARLEY

Table with columns: Commodity, Nov 80, + or -, Nov 79, + or -, Month ago. Includes Barley, etc.

WHEAT

Table with columns: Commodity, Nov 80, + or -, Nov 79, + or -, Month ago. Includes Wheat, etc.

BARLEY

Table with columns: Commodity, Nov 80, + or -, Nov 79, + or -, Month ago. Includes Barley, etc.

WHEAT

Table with columns: Commodity, Nov 80, + or -, Nov 79, + or -, Month ago. Includes Wheat, etc.

BARLEY

Table with columns: Commodity, Nov 80, + or -, Nov 79, + or -, Month ago. Includes Barley, etc.

WHEAT

Table with columns: Commodity,

Gilt recovery loses impetus as labour worries return
Leading shares follow—index closes 3.6 down at 407.7

Account Dealing Dates
Options
First Declared Last Account
Dealings Dates

Stock markets became uncertain again yesterday and government securities, still in the process of adjusting to a higher Minimum Lending Rate and the authorities' success last Friday in regaining monetary control, surrendered part of the sharp two-day recovery.

Overall market sentiment was adversely affected by the walk-out at B.L. a factor which, together with the warnings from both sides in the miners' dispute, brought back into prominence the delicate state of U.K. labour relations.

Gilt-edged stocks opened at the lower levels ruling late on Monday and the partly-paid Treasury 13 3/4 per cent 2000/03 A was sold fairly heavily, despite switching into the stock, the price fell to 23 1/2 before steadying to 23.

Shares with Rhodesian connections were sometimes lowered sharply, particularly Southern Rhodesian bonds, but little actual selling developed and a subsequent rally ensued.

A slight contraction of demand for traded options resulted in completed contracts of 533 compared with Monday's 683 and last week's daily average of 458.

More active issues in a well-distributed trade include B.P. and EMI which both attracted 85 deals.

Hambros good
Hambros became a prominent firm feature in the banking sector in closing 13 to the good at 266p in response to the favourable interim statement which disclosed that the group's profit for the year ended 30 September 1979 was 10.5 per cent above that for the comparable period last year.

lacked support and eased 4 to 34p in front of Friday's annual meeting, but Amalgamated Distilled Products were again wanted and put on 2 for a two-day gain of 5 to 45p.

Leading Building issues drifted lower for want of attention with Blue Circle easing 4 to 226p and Taylor Woodrow cheapening 2 to a 1979 low of 326p.

issue Norsk Hydro reflected the buoyant oil sector by registering a gain of 34 points at 580 1/2p, while Soudal Diffusion advanced 7 to 50p.

137p, while Soudal Diffusion advanced 7 to 50p. A dull Engineering sector was featured by a fall of 10 to 235p in Aveyers on fears that GEC's offer closes on Friday.

Debenhams dull
Leading Stores eased with the general trend, Debenhams fell 3 to a 1979 low of 59p following adverse comment, while Burton A softened 2 to 204p.

Movements of significance in Foods were few, but Watson and Philip, reflecting selling that developed late on Monday, shed 3 1/2 to a 1979 low of 36p.

A penny better initially, Trusthouse Forte drifted back to close 3 down on balance at 134p. Grand Metropolitan, 124p, also shed 3, but Ladbroke, a weak market of late in the wake of the London casino licence appeal hearing, rallied 5 to 149p.

Metal Box pleases
Metal Box stood out among the miscellaneous industrial leaders with a rise of 3 to 246p, after 245p, following the better-than-expected first-half profits.

Tilling, 105p, while ICL dipped 6 to 404p and Hunting Associated shed 5 to 235p.

Motors hovered around the overnight levels in a subdued business. The possibility of a nationwide stoppage at B.L. led to the major component suppliers, Lucas and Dunlop both shedding 1/2 a penny to 204p and 46p respectively.

Easier at first as buyers held off, properties picked up towards the close and ended only marginally lower. Land Securities finished just a couple of pence cheaper at 249p, after 247p, and MFC only a penny off at 139p.

Trusts were easier where altered: Caledonia fell 7 to 243p and New Throgmorton Capital rose up 2 to 125p.

Tricentral active
Secondary issues provided the main focal points in the Oil sector. Tricentral were actively traded awaiting today's third-quarter figures and up on 14 to 255p.

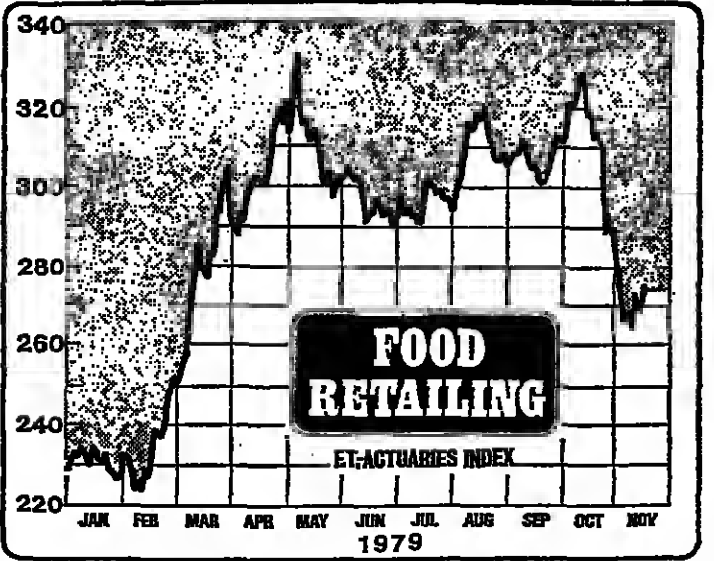
Wade Potteries ended unaltered at 49p, after 47p, following the results, while Elsewick further consolidated 1 1/2 to 164p on further consideration of the half-yearly figures.

Trusts were easier where altered: Caledonia fell 7 to 243p and New Throgmorton Capital rose up 2 to 125p.

Trusts were easier where altered: Caledonia fell 7 to 243p and New Throgmorton Capital rose up 2 to 125p.

FINANCIAL TIMES STOCK INDICES
Table with columns for various indices: Government Sec., Food Interest, Industrial, Gold Mines, etc.

HIGHS AND LOWS
Table with columns for 1979 High/Low and Since Completion High/Low for various stocks.



however, made progress. The higher half-yearly profits and the Board's confident remarks helped H.A.T. improve 1 1/2 to 23 1/2p, after 22p, while renewed speculative interest prompted a gain of 3 to 125p in Phoenix Timber.

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

Table of FT-Actuaries Share Indices. Columns include Equity Groups & Sub-sections, Index No., Day's Change, and various index values for different periods.

ACTIVE STOCKS

Table of Active Stocks listing various companies like Tricentral, EMI, Cons. Gold Fields, LAMSO, etc. with their closing prices and changes.

DEALING DATES

First Last Last For
Deal Declared Settling
ings ings ions
Nov. 12 Nov. 23 Feb. 21 Mar. 3

RECENT ISSUES

Table of Recent Issues listing companies like B.P., F.P., etc. with their issue prices and terms.

FIXED INTEREST STOCKS

Table of Fixed Interest Stocks listing various bonds and interest-bearing securities.

LONDON TRADED OPTIONS

Table of London Traded Options showing call and put options for various stocks like EMI, BP, etc.

UNIT TRUST SERVICE

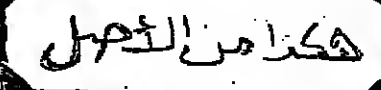
Table of Unit Trust Service listing various investment funds and their performance.

Redemption yield, Highs and lows record base data and values and constituent changes are published in Saturday issues. A list of the constituents is available from Cannon Street, London, EC4A 3DF, price 14p, by post 22p.

Renunciation date usually last day for despatch free of stamp duty. Figures based on prospectus estimates. Assumed dividend and yield based on previous year's earnings. Dividend and yield based on previous year's earnings. Dividend and yield based on previous year's earnings.

Prices on Nov. 21, 1979. Last trading day Nov. 22. Prices on Nov. 21, 1979. Last trading day Nov. 22. Prices on Nov. 21, 1979. Last trading day Nov. 22.

FT UNIT TRUST INFORMATION SERVICE



AUTHORISED UNIT TRUSTS

Table listing various unit trusts such as 'Discretionary Unit Fund Managers', 'Equity & Law Unit Tr. Mgrs.', 'Mercury Fund Managers Ltd.', etc., with columns for name, address, and contact info.

Table listing unit trusts under 'Discretionary Unit Fund Managers' and 'Equity & Law Unit Tr. Mgrs.', including 'Equity & Law Unit Tr. Mgrs. Ltd.', 'Mercury Fund Managers Ltd.', etc.

Table listing unit trusts under 'Mercury Fund Managers Ltd.', 'Midland Bank Group', 'National and Commercial', etc.

Table listing unit trusts under 'National and Commercial', 'National Unit Trust Managers', 'National and Commercial', etc.

Table listing unit trusts under 'National and Commercial', 'National Unit Trust Managers', 'National and Commercial', etc.

NOTES
Prices are in pence unless otherwise indicated.
Yields % shown in full column allow for all income...

INSURANCE PROPERTY BONDS

Table listing insurance and property bond companies such as 'Abbey Life Assurance Co. Ltd.', 'Albany Life Assurance Co. Ltd.', etc.

OFFSHORE & OVERSEAS FUNDS

Table listing offshore and overseas funds such as 'Capital International S.A.', 'Charterhouse Japan', 'Clive Investments (Jersey) Ltd.', etc.

Continued on previous page

FT SHARE INFORMATION SERVICE



Bifurcated Engineering
 RIVETING SYSTEMS • PARTS FEEDING & ASSEMBLY SYSTEMS • OTHER AIDS TO INCREASED PRODUCTIVITY Send for "The Guide to the BE Group"
 Bifurcated Engineering Ltd.
 P.O. Box 2, Mandeville Rd., Aylesbury, Bucks HP21 8AB Tel: Aylesbury (0296) 5911

BRITISH FUNDS

"Shorts" (Lives up to Five Years)

1979 High	Low	Stock	Price	% Chg	Vol	1978 High	Low	Stock	Price	% Chg	Vol
97.5	97.0	British Equities	97.5	0.0	100	97.5	97.0	British Equities	97.5	0.0	100
97.5	97.0	British Equities	97.5	0.0	100	97.5	97.0	British Equities	97.5	0.0	100

Five to Fifteen Years

1979 High	Low	Stock	Price	% Chg	Vol	1978 High	Low	Stock	Price	% Chg	Vol
110	109	British Equities	110	0.0	100	110	109	British Equities	110	0.0	100

Over Fifteen Years

1979 High	Low	Stock	Price	% Chg	Vol	1978 High	Low	Stock	Price	% Chg	Vol
120	119	British Equities	120	0.0	100	120	119	British Equities	120	0.0	100

Undated

1979 High	Low	Stock	Price	% Chg	Vol	1978 High	Low	Stock	Price	% Chg	Vol
130	129	British Equities	130	0.0	100	130	129	British Equities	130	0.0	100

FOREIGN BONDS & RAILS

1979 High	Low	Stock	Price	% Chg	Vol	1978 High	Low	Stock	Price	% Chg	Vol
100	99	Antofagasta Ry.	100	0.0	100	100	99	Antofagasta Ry.	100	0.0	100

BANKS & HP—Continued

1979 High	Low	Stock	Price	% Chg	Vol	1978 High	Low	Stock	Price	% Chg	Vol
100	99	Bank of America	100	0.0	100	100	99	Bank of America	100	0.0	100

CHEMICALS, PLASTICS—Cont.

1979 High	Low	Stock	Price	% Chg	Vol	1978 High	Low	Stock	Price	% Chg	Vol
100	99	Ammonium Sulphate	100	0.0	100	100	99	Ammonium Sulphate	100	0.0	100

ENGINEERING—Continued

1979 High	Low	Stock	Price	% Chg	Vol	1978 High	Low	Stock	Price	% Chg	Vol
100	99	Allen Power	100	0.0	100	100	99	Allen Power	100	0.0	100

AMERICANS

1979 High	Low	Stock	Price	% Chg	Vol	1978 High	Low	Stock	Price	% Chg	Vol
100	99	ASA	100	0.0	100	100	99	ASA	100	0.0	100

BEERS, WINES AND SPIRITS

1979 High	Low	Stock	Price	% Chg	Vol	1978 High	Low	Stock	Price	% Chg	Vol
100	99	Alfred Brown	100	0.0	100	100	99	Alfred Brown	100	0.0	100

DRAPERY AND STORES

1979 High	Low	Stock	Price	% Chg	Vol	1978 High	Low	Stock	Price	% Chg	Vol
100	99	Anders Day	100	0.0	100	100	99	Anders Day	100	0.0	100

BUILDING INDUSTRY, TIMBER AND ROADS

1979 High	Low	Stock	Price	% Chg	Vol	1978 High	Low	Stock	Price	% Chg	Vol
100	99	Albermarle Const.	100	0.0	100	100	99	Albermarle Const.	100	0.0	100

CANADIANS

1979 High	Low	Stock	Price	% Chg	Vol	1978 High	Low	Stock	Price	% Chg	Vol
100	99	Alcan	100	0.0	100	100	99	Alcan	100	0.0	100

BANKS AND HIRE PURCHASE

1979 High	Low	Stock	Price	% Chg	Vol	1978 High	Low	Stock	Price	% Chg	Vol
100	99	ANZ Bank	100	0.0	100	100	99	ANZ Bank	100	0.0	100

INTERNATIONAL BANK

1979 High	Low	Stock	Price	% Chg	Vol	1978 High	Low	Stock	Price	% Chg	Vol
100	99	Bank of Montreal	100	0.0	100	100	99	Bank of Montreal	100	0.0	100

COMMONWEALTH & AFRICAN LOANS

1979 High	Low	Stock	Price	% Chg	Vol	1978 High	Low	Stock	Price	% Chg	Vol
100	99	Ass. Bank	100	0.0	100	100	99	Ass. Bank	100	0.0	100

LOANS

1979 High	Low	Stock	Price	% Chg	Vol	1978 High	Low	Stock	Price	% Chg	Vol
100	99	Public Bond and Ind.	100	0.0	100	100	99	Public Bond and Ind.	100	0.0	100

FINANCIAL TIMES

FINANCIAL TIMES
 PUBLISHED IN LONDON & FRANKFURT
 Head Office: The Financial Times Limited, Broken House, 10 Cannon Street, London EC4A 3DF
 Tel: Editorial 8954871. Advertisements: 885033. Telex: Financial Times, London.
 Telephone: 01-248 8000.
 Frankfurt Office: The Financial Times (Europe) Ltd., Frankfurter 68-72, 6000 Frankfurt-am-Main 1.
 Tel: Editorial 416052. Commercial 416193. Telephone: Editorial 7598 234. Commercial 7598 1.
 INTERNATIONAL AND BRITISH OFFICES

EDITORIAL OFFICES

EDITORIAL OFFICES
 Amsterdam: P.O. Box 1296, Amsterdam-C.
 Tel: 16527 Tel: 278 796
 Birmingham: George House, George Road.
 Tel: 338650 Tel: 021-454 0922
 Bonn: Prebush 11/10a Heussallee 2-10.
 Tel: 886942 Tel: 210099
 Brussels: 29 Rue de la Woluwe, 1200 Brussels.
 Tel: 23283 Tel: 512-9037
 Cairo: P.O. Box 2040.
 Tel: 293 4948
 Dublin: 8 Fitzwilliam Square.
 Tel: 5414 Tel: 785221
 Edinburgh: 37 George Street.
 Tel: 72484 Tel: 031-226 4120
 Frankfurt: Frankfurter 68-72.
 Tel: 416052 Tel: 7598 234
 Johannesburg: P.O. Box 2128.
 Tel: 84527 Tel: 839 7548
 London: 10 Cannon Street, London EC4A 3DF.
 Tel: 8954871
 Madrid: Espartero 32, Madrid 3.
 Tel: 441 6772

ADVERTISMENT OFFICES

ADVERTISMENT OFFICES
 Birmingham: George House, George Road.
 Tel: 338650 Tel: 021-454 0922
 Edinburgh: 37 George Street.
 Tel: 72484 Tel: 031-226 4139
 Leeds: Permanent House, The Headrow.
 Tel: 0532 454969
 Manchester: Queen's House, Queen Street.
 Tel: 666813 Tel: 061-634 9961
 Overseas advertisement representatives in Central and South America, Africa, the Middle East, Asia and the Far East. For further details, please contact: Overseas Advertisement Department, Financial Times, Broken House, 10 Cannon Street, London EC4A 3DF

SUBSCRIPTIONS

Copies obtainable from newspapers and bookstalls worthwhile or on regular subscription from Subscription Department—Financial Times in London, Frankfurt and New York

FINANCIAL TIMES

FINANCIAL TIMES
 PUBLISHED IN LONDON & FRANKFURT
 Head Office: The Financial Times Limited, Broken House, 10 Cannon Street, London EC4A 3DF
 Tel: Editorial 8954871. Advertisements: 885033. Telex: Financial Times, London.
 Telephone: 01-248 8000.
 Frankfurt Office: The Financial Times (Europe) Ltd., Frankfurter 68-72, 6000 Frankfurt-am-Main 1.
 Tel: Editorial 416052. Commercial 416193. Telephone: Editorial 7598 234. Commercial 7598 1.
 INTERNATIONAL AND BRITISH OFFICES

EDITORIAL OFFICES

EDITORIAL OFFICES
 Amsterdam: P.O. Box 1296, Amsterdam-C.
 Tel: 16527 Tel: 278 796
 Birmingham: George House, George Road.
 Tel: 338650 Tel: 021-454 0922
 Bonn: Prebush 11/10a Heussallee 2-10.
 Tel: 886942 Tel: 210099
 Brussels: 29 Rue de la Woluwe, 1200 Brussels.
 Tel: 23283 Tel: 512-9037
 Cairo: P.O. Box 2040.
 Tel: 293 4948
 Dublin: 8 Fitzwilliam Square.
 Tel: 5414 Tel: 785221
 Edinburgh: 37 George Street.
 Tel: 72484 Tel: 031-226 4120
 Frankfurt: Frankfurter 68-72.
 Tel: 416052 Tel: 7598 234
 Johannesburg: P.O. Box 2128.
 Tel: 84527 Tel: 839 7548
 London: 10 Cannon Street, London EC4A 3DF.
 Tel: 8954871
 Madrid: Espartero 32, Madrid 3.
 Tel: 441 6772

SUBSCRIPTIONS

Copies obtainable from newspapers and bookstalls worthwhile or on regular subscription from Subscription Department—Financial Times in London, Frankfurt and New York

FINANCIAL TIMES

FINANCIAL TIMES
 PUBLISHED IN LONDON & FRANKFURT
 Head Office: The Financial Times Limited, Broken House, 10 Cannon Street, London EC4A 3DF
 Tel: Editorial 8954871. Advertisements: 885033. Telex: Financial Times, London.
 Telephone: 01-248 8000.
 Frankfurt Office: The Financial Times (Europe) Ltd., Frankfurter 68-72, 6000 Frankfurt-am-Main 1.
 Tel: Editorial 416052. Commercial 416193. Telephone: Editorial 7598 234. Commercial 7598 1.
 INTERNATIONAL AND BRITISH OFFICES

EDITORIAL OFFICES

EDITORIAL OFFICES
 Amsterdam: P.O. Box 1296, Amsterdam-C.
 Tel: 16527 Tel: 278 796
 Birmingham: George House, George Road.
 Tel: 338650 Tel: 021-454 0922
 Bonn: Prebush 11/10a Heussallee 2-10.
 Tel: 886942 Tel: 210099
 Brussels: 29 Rue de la Woluwe, 1200 Brussels.
 Tel: 23283 Tel: 512-9037
 Cairo: P.O. Box 2040.
 Tel: 293 4948
 Dublin: 8 Fitzwilliam Square.
 Tel: 5414 Tel: 785221
 Edinburgh: 37 George Street.
 Tel: 72484 Tel: 031-226 4120
 Frankfurt: Frankfurter 68-72.
 Tel: 416052 Tel: 7598 234
 Johannesburg: P.O. Box 2128.
 Tel: 84527 Tel: 839 7548
 London: 10 Cannon Street, London EC4A 3DF.
 Tel: 8954871
 Madrid: Espartero 32, Madrid 3.
 Tel: 441 6772

SUBSCRIPTIONS

Copies obtainable from newspapers and bookstalls worthwhile or on regular subscription from Subscription Department—Financial Times in London, Frankfurt and New York

FINANCIAL TIMES

FINANCIAL TIMES
 PUBLISHED IN LONDON & FRANKFURT
 Head Office: The Financial Times Limited, Broken House, 10 Cannon Street, London EC4A 3DF
 Tel: Editorial 8954871. Advertisements: 885033. Telex: Financial Times, London.
 Telephone: 01-248 8000.
 Frankfurt Office: The Financial Times (Europe) Ltd., Frankfurter 68-72, 6000 Frankfurt-am-Main 1.
 Tel: Editorial 416052. Commercial 416193. Telephone: Editorial 7598 234. Commercial 7598 1.
 INTERNATIONAL AND BRITISH OFFICES

EDITORIAL OFFICES

EDITORIAL OFFICES
 Amsterdam: P.O. Box 1296, Amsterdam-C.
 Tel: 16527 Tel: 278 796
 Birmingham: George House, George Road.
 Tel: 338650 Tel: 021-454 0922
 Bonn: Prebush 11/10a Heussallee 2-10.
 Tel: 886942 Tel: 210099
 Brussels: 29 Rue de la Woluwe, 1200 Brussels.
 Tel: 23283 Tel: 512-9037
 Cairo: P.O. Box 2040.
 Tel: 293 4948
 Dublin: 8 Fitzwilliam Square.
 Tel: 5414 Tel: 785221
 Edinburgh: 37 George Street.
 Tel: 72484 Tel: 031-226 4120
 Frankfurt: Frankfurter 68-72.
 Tel: 416052 Tel: 7598 234
 Johannesburg: P.O. Box 2128.
 Tel: 84527 Tel: 839 7548
 London: 10 Cannon Street, London EC4A 3DF.
 Tel: 8954871
 Madrid: Espartero 32, Madrid 3.
 Tel: 441 6772

SUBSCRIPTIONS

Copies obtainable from newspapers and bookstalls worthwhile or on regular subscription from Subscription Department—Financial Times in London, Frankfurt and New York

1979 High	Low	Stock	Price	% Chg	Vol	1978 High	Low	Stock	Price	% Chg	Vol
100	99	British Equities	100	0.0	100	100	99	British Equities	100	0.0	100

HOTELS AND CATERERS

1979 High	Low	Stock	Price	% Chg	Vol	1978 High	Low	Stock	Price	% Chg	Vol
100	99	British Equities	100	0.0	100	100	99	British Equities	100	0.0	100

INDUSTRIALS (Misc)

1979 High	Low	Stock	Price	% Chg	Vol	1978 High	Low	Stock	Price	% Chg	Vol
100	99	British Equities	100	0.0	100	100	99	British Equities	100	0.0	100

INDUSTRIALS (Misc)

1979 High	Low	Stock	Price	% Chg	Vol	1978 High	Low	Stock	Price	% Chg	Vol
100	99	British Equities	100	0.0	100	100	99	British Equities	100	0.0	100

INDUSTRIALS (Misc)

1979 High	Low	Stock	Price	% Chg	Vol	1978 High	Low	Stock	Price	% Chg	Vol
100	99	British Equities	100	0.0	100	100	99	British Equities	100	0.0	100

INDUSTRIALS (Misc)

1979 High	Low	Stock	Price	% Chg	Vol	1978 High	Low	Stock	Price	% Chg	Vol
100	99	British Equities	100	0.0	100	100	99	British Equities	100	0.0	100

INDUSTRIALS (Misc)

1979 High	Low	Stock	Price	% Chg	Vol	1978 High	Low	Stock	Price	% Chg	Vol
100	99	British Equities	100	0.0	100	100	99	British Equities	100	0.0	100

FOOD, GROCERIES, ETC.

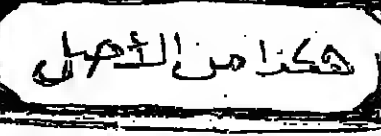
1979 High	Low	Stock	Price	% Chg	Vol	1978 High	Low	Stock	Price	% Chg	Vol
100	99	British Equities	100	0.0	100	100	99	British Equities	100	0.0	100

ENGINEERING MACHINE TOOLS

1979 High	Low	Stock	Price	% Chg	Vol	1978 High	Low	Stock	Price	% Chg	Vol
100	99	British Equities	100	0.0	100	100	99	British Equities	100	0.0	100

CHEMICALS, PLASTICS

1979 High	Low	Stock	Price	% Chg	Vol	1978 High</
-----------	-----	-------	-------	-------	-----	-------------



INDUSTRIALS—Continued

INSURANCE—Continued

PROPERTY—Continued

INVESTMENT TRUSTS—Cont.

FINANCE, LAND—Continued

International Financier DAIWA SECURITIES

Table of Industrial stocks with columns for Stock, Price, Div, and Yld.

Table of Insurance stocks with columns for Stock, Price, Div, and Yld.

Table of Property stocks with columns for Stock, Price, Div, and Yld.

Table of Investment Trusts with columns for Stock, Price, Div, and Yld.

Table of Finance and Land stocks with columns for Stock, Price, Div, and Yld.

MINES—Continued

CENTRAL AFRICAN

AUSTRALIAN

OILS

OVERSEAS TRADERS

RUBBERS AND SISALS

TEAS

Sri Lanka

MINES

CENTRAL RAND

EASTERN RAND

FAR WEST RAND

O.F.S.

FINANCE

DIAMOND AND PLATINUM

REGIONAL MARKETS

NOTES

TELETYPE

TELETYPE

TELETYPE

TELETYPE

TELETYPE

TELETYPE

TELETYPE

TELETYPE

TELETYPE

TELETYPE

TELETYPE

TELETYPE

TELETYPE

TELETYPE

TELETYPE

TELETYPE

TELETYPE

TELETYPE

TELETYPE

TELETYPE

TELETYPE

INSURANCE

PROPERTY

TRUSTS, FINANCE, LAND

FINANCE, LAND, etc.

PROPERTY

TRUSTS, FINANCE, LAND

FINANCE, LAND, etc.

PROPERTY

TRUSTS, FINANCE, LAND

FINANCE, LAND, etc.

PROPERTY

TRUSTS, FINANCE, LAND

FINANCE, LAND, etc.

PROPERTY

TRUSTS, FINANCE, LAND

FINANCE, LAND, etc.

OPTIONS

3-month Call Rates

Table of Options and 3-month Call Rates.

REGIONAL MARKETS

Following is a selection of London quotations of shares previously listed only in regional markets...

NOTES

Unless otherwise indicated, prices and net dividends are in pence and denominated in 25p. Estimated price-earnings ratios and...

